ENVIRONMENTAL CHECKLIST

Purpose of checklist:

The State Environmental Policy Act (SEPA), Chapter 43.21C Regional Code of Washington (RCW), requires all governmental agencies to consider the environmental impacts of a proposal before making decisions. An environmental impact statement (EIS) must be prepared for all proposals with probable significant adverse impacts on the quality of the environment. The purpose of this checklist is to provide information to help you and the agency identify impacts from your proposal (and to reduce or avoid impacts from the proposal, if it can be done) and to help the agency decide whether an EIS is required.

A. BACKGROUND

1. Name of proposed project, if applicable:

Imperium Grays Harbor

2. Name of applicant:

Imperium Grays Harbor, L.L.C.

3. Address and phone number of applicant and contact person:

John Plaza, President and Founder

Imperium Grays Harbor, L.L.C.

1418 3rd Ave

Suite 300

Seattle, Washington 98101

(206) 254-0211

4. Date checklist prepared:

June 8, 2006

5. Agency requesting checklist:

Department of Ecology

6. Proposed timing or schedule (including phasing, if applicable):

Project element	Begin Construction	Complete construction
Tank Farm	September 2006	February/March 2007
Production facility	September 2006	April 2007
Rail spurs	September 2006	December 2006
Power generation facility	September 2006	October 2007
Pipelines	January 2007	April 2007

7. Do you have any plans for future additions, expansion, or further activity related to or connected with this proposal? If yes, explain.

The project will take place on a partial lease of the 22.9-acre Terminal 1 facility from the Port of Grays Harbor. The project is proposed on 12.2 acres of Terminal 1. Future expansion into the remainder of the site is possible and will be permitted separately.

8. List any environmental information you know about that has been prepared, or will be prepared, directly related to this proposal.

- Joint Aquatic Resources Permit Application (JARPA) for the Shoreline Substantial Use Permit.
- Stormwater Pollution Prevention Plan (SWPPP)
- Phase 1 Environmental Site Assessment (ESA)
- Possibly a Phase 2 ESA
- Spill Prevention Control and Countermeasures (SPCC) Plan
- Temporary Erosion and Sediment Control (TESC) Plan
- Geotechnical Report
- Wetland Memo
- FEMA application for a letter of map revision.

9. Do you know whether applications are pending for governmental approvals of other proposals directly affecting the property covered by your proposal? If yes, explain.

No.

10. List any government approvals or permits that will be needed for your proposal, if known.

- Shoreline Substantial Development Permit (SSDP), City of Hoquiam

- Conditional Use Permit (CUP) and Variance, City of Hoquiam
- Olympic Region Clean Air Agency (ORCAA) Approval Order, State of Washington
- National Pollution Discharge Elimination System (NPDES) general construction permit, Washington Department of Ecology (Ecology) (Initial grading may commence with measures to ensure all precipitation is contained on site and no discharge, and therefore a permit, would not be required.)
- Building Permits, City of Hoquiam and Aberdeen
- Grading Permits, City of Hoquiam and Aberdeen
- State Wastewater Discharge Permit, Ecology
- Industrial Stormwater General Permit, Ecology
- Boiler/Pressure Vessel Permit, Washington Department of Labor and Industry
- Local Fire Department Permit, City of Hoquiam Fire Department
- Certificate of Industrial Insurance Coverage, Washington Department of Labor and Industry
- Fuel Registration, Environmental Protection Agency
- Hazardous Substance Use Reporting, Ecology
- Spill Prevention and Response Plan, Ecology
- Fuel Tax License, Department of Licensing
- Letter of Intent, U.S. Coast Guard
- Oil Spill Response Plan, U.S. Coast Guard
- Facility Security Plan and Facility Security Assessment, U.S. Coast Guard
- EPA ID number, if required

No in-water work or over-water work will take place, therefore no federal or state aquatic permits are required.

11. Give brief, complete description of your proposal, including the proposed uses and the size of the project and site. There are several questions later in this checklist that ask you to describe certain aspects of your proposal. You do not need to repeat those answers on this page. (Lead agencies may modify this form to include additional specific information on project description.)

The proposed project is a 12.16-acre biodiesel production facility located at the Port of Grays Harbor (PGH). See Figure 1 Vicinity Map. This project will result

in construction of a tank farm, pipeline from Terminal 1 and Terminal 2 to the tank farm, rail spurs in connection with the existing Schneider's loop rail line and a manufacturing area. The production facility will be served by three functionally independent modes of transportation: water, rail, and truck. Each will provide pathways for inbound raw materials or outbound products. See Figure 2 Plan View and Figure 3 Section View.

The project will include construction of a tank farm, production facility, rail spurs, and a pipeline. The tank farm will store vegetable oils, biodiesel, methanol, sodium methylate, and petroleum products. The vegetable oils and biodiesel will be stored in ten tanks totaling 17 million gallons. There will be four additional tanks constructed in 2008 to store 8 million gallons of biodiesel and vegetable oils. Methanol will be stored in a 500,000-gallon storage tank and sodium methylate will be stored in a 100,000-gallon tank. Also, a 300,000-gallon storage tank of glycerin and a 100,000-gallon storage tank for bottoms will be constructed. The tank farm will be encompassed by a berm to contain 110 percent of the total volume of the largest tank on-site. The tank farm will be sited at least 200 feet from Fry Creek and the Chehalis River.

The production facility will include process equipment to convert the vegetable oil into biodiesel, refine the products, and produce various grades. An industrial boiler will be fired with fuel products generated in the process (along with makeup fuels such as natural gas) and used to drive a steam turbine to produce electricity. It is anticipated that the site will generate excess power, which it will sell. The site will include a new pipeline from a tie-in to the natural gas line along the south side of Port Industrial Road.

The existing rail system on PGH property will also be expanded. Approximately 6,800 feet of track in multiple new rail spurs will be constructed on site in connection with the existing rail line. A road crossing at Port Industrial Road will be required to connect to the rail line. Connecting to the rail line will require less than 300 feet of track to be constructed off site. The connection from the site to the existing railroad will be across improved areas and maintained by the Port of Gray's Harbor. Inbound vegetable oil is traditionally shipped in unit trains of nearly 100 rail cars. Significant capacity is required to receive these trains and the system has been designed to handle rail car unit trains. Loading and unloading facilities will be fully contained.

A pipeline will be installed connecting Terminal 1 and Terminal 2 with the tank farm. One 16-inch-diameter pipe and one 12-inch-diameter pipe will be

connected from the tank farm (above grade, on pipe racks) and routed across a pipe bridge over the existing rail line. The location of the pipe bridge will be near (or integrated into) the existing chip conveyor at Terminal 1. Once the pipes have crossed the pipe bridge, they will tee into two separate pipes for a total of four pipes. Two pipes (one 16-inch and one 12-inch) will be routed (at grade, on concrete block pipe supports) along the water's edge to Terminal 2. Two pipes (one 16-inch and one 12-inch) will be routed (at grade, on concrete block pipe supports) to Terminal 1. All pipes will be carbon steel, insulated, and heat traced.

12. Location of the proposal. Give sufficient information for a person to understand the precise location of your proposed project, including a street address, if any, and section, township, and range, if known. If a proposal would occur over a range of area, provide the range or boundaries of the site(s). Provide a legal description, site plan, vicinity map, and topographic map, if reasonably available. While you should submit any plans required by the agency, you are not required to duplicate maps or detailed plans submitted with any permit applications related to this checklist.

The site is located adjacent to the Chehalis River in the City of Hoquiam in Section 7, Range 9 West, Township 17 North of the Willamette Meridian. The project is located at the Port of Grays Harbor Terminal 1. See Figure 1 Vicinity Map and Appendix A legal description.

B. ENVIRONMENTAL ELEMENTS

1. Earth

a. General description of the site (circle one): Flat, rolling, hilly, steep slopes, mountainous, other_____.

b. What is the steepest slope on the site (approximate percent slope)?

The maximum slope on the site is about 1 percent.

c. What general types of soils are found on the site (for example, clay, sand, gravel, peat, muck)? If you know the classification of agricultural soils, specify them and note any prime farmland.

Originally the site was an open water slip berth used for log transfer operations. In 1983, Port of Grays Harbor received permits to fill the site for use as a marine cargo facility, utilizing material from the Port of Grays Harbor channel widening project. The site has since been used for various upland operations and is currently vacant.

Soils on the site are non-native fill, typical of the industrial types of lands in the area. There are no agricultural soils on the site. An analysis is being performed by a geotechnical engineer Geoengineers of Tacoma, WA on soil suitability for the project. This report will be furnished when it becomes available. Civil design and construction of the production facility will comply with the recommendations of the geotechnical engineering report and will be approved by a Washington Registered Professional Engineer.

d. Are there surface indications or history of unstable soils in the immediate vicinity? If so, describe.

None.

e. Describe the purpose, type, and approximate quantities of any filling or grading proposed. Indicate source of fill.

Earthwork will be necessary to construct the proposed tank farm, methanol storage zone and production facility to ensure proper grade, slope, and foundation. Where cuts are made, this material will be used as fill. Other fill will be necessary for equipment foundations and for bedding the rail grade. The

tank farm, methanol storage, production facility, and rail bed will be composed of cleaned crushed rock (approximately 30,000 cubic yards) of railroad standard aggregate hauled from a commercial quarry.

f. Could erosion occur as a result of clearing, construction, or use? If so, generally describe.

The site is level, so the chances of erosion are minimal. However, slight erosion during construction is possible, and will be mitigated by applying Best Management Practices (BMPs) consistent with state and local guidelines.

g. About what percent of the site will be covered with impervious surfaces after project construction (for example, asphalt or buildings)?

Approximately 80 percent of the site will be covered with impervious surfaces after project construction. Stormwater management is discussed in Section B.3(c) of this SEPA

h. Proposed measures to reduce or control erosion, or other impacts to the earth, if any:

A general NPDES permit will be issued for construction. This permit will require the preparation of a Temporary Erosion and Sediment Control (TESC) Plan, SWPPP, and BMPs to minimize the chances of erosion. Grading and construction may commence before the NPDES permit is received, under a "no discharge" grading plan. Temporary earthen berms will be installed as part of grading to retain all precipitation on site, thus not requiring an NPDES construction permit. In the event that water accumulates and must be removed to allow construction (in advance of NPDES permit approval), it will be shipped off-site for disposal.

2. Air

a. What types of emissions to the air would result from the proposal (i.e., dust, automobile, odors, industrial wood smoke) during construction and when the project is completed? If any, generally describe and give approximate quantities if known.

During construction, emissions from construction activities will consist of dust and exhaust from construction equipment. Following construction, emissions are likely to consist of exhaust from ship and rail engines. Air emissions sources from the facility are outlined in Appendix B and managed under appropriate approvals and required permits of the Olympic Region Clean Air Agency

(ORCAA). The facility will not exceed the thresholds requiring a PSD permit applicability for non-listed industries (250 tons per year of any Clean Air Act regulated pollutant). The production facility will implement modern engineering and technological advances to ensure meeting applicable ORCAA standards.

b. Are there any off-site sources of emissions or odor that may affect your proposal? If so, generally describe.

None expected.

c. Proposed measures to reduce or control emissions or other impacts to air, if any:

Standard construction dust control measures will be used during construction. Rail and ship emissions will be designed to minimize emissions and optimize loading and unloading efficiencies. Air emissions from the facility will be identified and managed under appropriate approvals and required permits of the ORCAA.

3. Water

a. Surface:

1) Is there any surface water body on or in the immediate vicinity of the site (including year-round and seasonal streams, saltwater, lakes, ponds, wetlands)? If yes, describe type and provide names. If appropriate, state what stream or river it flows into.

Fry Creek is present on the north and west boundaries of the site. The south side of the site is bordered by the Chehalis River. Areas with wetland characteristics were identified on the Terminal 1 site. However, these areas are within the 200-foot shoreline setback and will be avoided. See attached Appendix C Wetland Memo.

2) Will the project require any work over, in, or adjacent to (within 200 feet) the described waters? If yes, please describe and attach available plans.

Pipelines will be installed from the existing docks at Terminal 1 and from the existing dock at Terminal 2 to the tank farm. No improvements will be necessary for either dock. The pipes will span the existing railroad adjacent to an existing conveyor. All work associated with the pipeline at the docks will occur on top of the docks, and no in-water work is required. This project will incorporate spill

prevention equipment, operating procedures, and personnel training prior to a liquid transfer operation. Pipeline work will not trigger a hydraulic permit or federal permits.

3) Estimate the amount of fill and dredge material that would be placed in or removed from surface water or wetlands and indicate the area of the site that would be affected. Indicate the source of fill material.

None.

4) Will the proposal require surface water withdrawals or diversions? Give general description, purpose, and approximate quantities if known.

The proposed project will tie into the existing 48-inch industrial water supply line. No surface water will be withdrawn or diverted, other than stormwater runoff, as indicated in section B3(c).

5) Does the proposal lie within a 100-year floodplain? If so, note location on the site plan.

The Federal Emergency Management Agency (FEMA) Flood Insurance Rate Map indicates the site is in Zone V2. Zone V2 is in the 100-year coastal flood with velocity (wave action). The site was filled in the mid to late 1980s since the original mapping, and is no longer in Zone V2. A Letter of Map Revision will be requested from FEMA.

6) Does the proposal involve any discharges of waste materials to surface waters? If so, describe the type of waste and anticipated volume of discharge.

No discharge of waste materials to surface waters is expected. Wastewater generated at the facility will be directed to the sewer system of either Hoquiam or Aberdeen or to a private wastewater treatment lagoon in accordance with State Wastewater Discharge regulations. The only wastewater envisioned will be minimal amounts generated through routine facility cleaning and non-contact precipitation.

b. Ground:

1) Will ground water be withdrawn, or will water be discharged to ground water? Give general description, purpose, and approximate quantities if known.

No groundwater will be withdrawn and no water will be discharged to groundwater.

2) Describe waste material that will be discharged into the ground from septic tanks or other sources, if any (for example: Domestic sewage; industrial, containing the following chemicals. . . ; agricultural; etc.). Describe the general size of the system, the number of such systems, the number of houses to be served (if applicable), or the number of animals or humans the system(s) are expected to serve.

The project will not require any discharges.

c. Water runoff (including stormwater):

1) Describe the source of runoff (including storm water) and method of collection and disposal, if any (include quantities, if known). Where will this water flow? Will this water flow into other waters? If so, describe.

Runoff outside the tank farm and process areas will continue to flow to the Port of Grays Harbor stormwater system. Runoff sources will be stormwater only. Precipitation that falls inside the tank farm and process areas will be dealt with as follows.

The storage tank farm will be segregated into the following areas:

- Vegetable Oil/Biodiesel Tank Farm (236,000 square feet)
- Methanol and Catalyst Storage Area (16,000 square feet)

Precipitation that accumulates in this area will be assumed to be non-contact, verified by testing prior to discharge, and sent to the existing Port of Vancouver outfall under an NPDES discharge permit. In the event that the water is contaminated and does not meet discharge criteria, it will be treated as allowed under the permit or sent offsite to a facility permitted to accept it.

The following areas have a more significant probability of being contact waters and will be treated as such:

- Rail Car Load/Unload (8,000 square feet)
- Truck Load/Unload (2,000 square feet
- Outside Process Area (30,000 square feet)

Waters from these areas will be collected, treated through an oil water separator and any additional equipment required by the permit, and sent to the City of Aberdeen POTW under an industrial wastewater discharge permit. In the

unlikely event that the waters have enough contamination to make them a dangerous waste, they will be manifested and sent to a permitted facility.

2) Could waste materials enter ground or surface waters? If so, generally describe.

Waste materials are not expected to enter the ground or surface waters. Containment will be installed in all areas handling chemicals of adequate capacity to contain either the largest tank or 10 percent of the total contained volume, whichever is larger. The processing areas will have concrete containment. The tank farm storage tanks will be on grade level or elevated foundations (no below grade tanks or piping), within bermed areas constructed of an impervious material.

An impervious liner will be constructed to contain the entire tank farm. The liner will consist of a bentonite clay liner designed and improved by a registered Washington Geotechnical Engineer. All tanks will be monitored for leaks using electronic leak detection devises. The collection sump will also be monitored continuously by conductivity meters or other devises to determine if product is being collected in the sump.

3) Proposed measures to reduce or control surface, ground, and runoff water impacts, if any:

During construction, BMPs will be applied for stormwater management following the requirements of the SWPPP. These BMPs may include the use of silt fences, temporary stormwater ponds or other appropriate methods.

During operation, the facility will follow the Spill Prevention Control and Countermeasures Plan to prevent liquid products from the leaving the containment areas. Spill kits will be placed in strategic and easily accessible locations for use if small spills occur. If a spill should occur, the operator will notify the Department of Ecology of the situation immediately.

4. Plants

a. Check or circle types of vegetation found on the site:

___ **deciduous tree: alder, maple, aspen, other**
X **evergreen tree: fir, cedar, pine, other:** Spruce trees
X **shrubs:** Himalayan blackberry, Scotch broom
X **grass:** various pasture grasses

___ **pasture**
___ **crop or grain**
___ **wet soil plants: cattail, buttercup, bullrush, skunk cabbage, other:**
___ **water plants: water lily, eelgrass, milfoil, other**
___ **other types of vegetation**

b. What kind and amount of vegetation will be removed or altered?

The area to be graded is approximately 11.7 acres. Most of this area is vegetated with Scotch Broom and Himalayan blackberry interspersed with grasses.

c. List threatened or endangered species known to be on or near the site.

No listed plant species were observed or are expected to occur on or near the site. (Natural Heritage data will be verified).

d. Proposed landscaping, use of native plants, or other measures to preserve or enhance vegetation on the site, if any:

None.

5. Animals

a. Circle any birds and animals which have been observed on or near the site or are known to be on or near the site:

birds: hawk, heron, eagle, songbirds, other: loon, Peregrine falcon

(The area is within the City of Hoquiam Peregrine Falcon Management Area.)

mammals: deer, bear, elk, beaver, other:

fish: bass, salmon, trout, herring, shellfish, other:

b. List any threatened or endangered species known to be on or near the site.

The Chehalis River may be used by bull trout. It is possible that Stellar sea lions could occur in the Chehalis River. A bald eagle nest is located approximately 1 mile west of the site. No marbled murrelet nesting sites are know to occur in the area and it is highly unlikely that marbled murrelets would use the area for foraging. It is possible that marbled murrelets may use the Chehalis River for daily migration during the nesting season.

c. Is the site part of a migration route? If so, explain.

The site is in the Pacific Flyway, and fish use Grays Harbor for migration. Fry Creek is also known to be used by coho salmon for migration and may also be used by chum salmon, steelhead, and Chinook salmon.

d. Proposed measures to preserve or enhance wildlife, if any:

The tank farm and production facilities will be fully contained and controlled and are designed to be at least 200 feet from the Chehalis River and Fry Creek.

6. Energy and natural resources

a. What kinds of energy (electric, natural gas, oil, wood stove, solar) will be used to meet the completed project's energy needs? Describe whether it will be used for heating, manufacturing, etc.

During normal operation, the proposed production facility will be a net producer of energy. The glycerin byproduct from the biodiesel production facility will be burned to supply the process heating requirements (steam generation and hot oil system). Excess steam from the steam boiler will be used to produce electricity in a steam turbine generator. Electricity from the generator will be used for mechanical equipment motors, lighting, and other on-site electrical demands. Electricity that is not used by the facility will be available for sale back to the Grays Harbor Public Utility District (PUD).

When the steam turbine generator is not producing electricity (during start-up or system maintenance), the production facility will receive electricity through the Grays Harbor PUD. In addition, there will be a 150 KW diesel generator.

During start-up, the production facility will fulfill the heating demands by utilizing natural gas from Cascade Natural Gas. Natural gas and/or biodiesel may also be co-fired with glycerin in the hot oil system and steam boiler to maintain combustion.

b. Would your project affect the potential use of solar energy by adjacent properties? If so, generally describe.

No.

c. What kinds of energy conservation features are included in the plans of this proposal? List other proposed measures to reduce or control energy impacts, if any:

The production facility will include energy conservation techniques using closed loop energy systems to generate energy for the production process. The facility will burn glycerin to offset energy costs and produce green energy to sell back into Grays Harbor PUD. All pumps, motors, electrical equipment and process technology equipment will include the most energy efficient systems for proficient operations.

7. Environmental health

a. Are there any environmental health hazards, including exposure to toxic chemicals, risk of fire and explosion, spill, or hazardous waste, that could occur as a result of this proposal? If so, describe.

Bulk materials will include methanol and sodium methylate. Exposure to these chemicals will be mitigated with current health, safety, and operational requirements. Per International Fire Code (IFC), the risk of fire and explosion will be taken into consideration for this project. Spill prevention plans for all materials will be implemented. Marine and rail shipping will require trained personnel oversite during product transfer. All Occupational Safety and Health Administration (OSHA) and Washington Industrial Safety and Health Act (WISHA) health and safety requirements will be followed. On site equipment specific training will be required for applicable employees.

All storage and land product transfer areas will be fully contained. If a spill occurs, the product will most likely be contained on site. If a spill occurs during over-water transfers of product, the Oil Spill Response Plan will be followed and the Department of Ecology and Coast Guard will be notified to oversee and assist with containment. Methanol and sodium methylate are highly flammable. If either of these substances is involved in a spill, they will likely ignite. Fire would most likely be restrained to the site. The local fire department will maintain an Emergency Preparedness Plan. Site will be designed for emergency vehicle access.

See Appendix D Material Safety Data Sheets (MSDS) for methanol, sodium methylate, and citric acid, and Appendix E Phase 1 report.

1) Describe special emergency services that might be required.

Imperium Grays Harbor, L.L.C., will work with all regulating agencies to ensure all bulk materials on site will be properly stored, handled, and used in accordance with all emergency services providers. The manufacturing facility will maintain a list of emergency services that may be required including fire, ambulance, Department of Ecology and U.S. Coast Guard contacts for spill control, etc. An emergency preparedness plan will be filed with the local fire department which will include chemical storage data and locations.

2) Proposed measures to reduce or control environmental health hazards, if any:

Imperium Grays Harbor will have significant procedures and engineering controls in place to prevent releases of raw materials and products that will be unloaded at Terminal 1 and Terminal 2. The bulk tank farm will be constructed to American Petroleum Institute (API) 650 standards with impervious containment to capture the largest tank and accumulated precipitation. Tanks will be equipped with over-pressure protection, high-level alarms, and emergency overflows into the containment area.

The pipelines to each terminal will be of welded steel and tested per applicable regulations. Unloading operations will be continuously staffed during all transfer operations. The load/unload operations will be in compliance with the U.S. Oil Pollution Control Act and in conformance with an approved SPCC Plan approved by a Registered Professional Engineer.

Imperium Grays Harbor, L.L.C. has discussed the project with the City of Hoquiam Fire Department and designed the project to meet building set backs for fuel storage, collection vents and flame arrestors on tanks, and will not allow open flames on site.

Specific containment for onsite chemicals includes:

- Methanol Storage – Risks will be mitigated with full tank containment, fire suppression, and suppression (nitrogen blanketing) and collection of vent gasses.
- Sodium Methylate Storage – Risks will be mitigated with full tank containment, fire suppression, suppression (nitrogen blanketing) and collection of vent gasses.
- Methanol and Sodium Methylate Rail Car Unloading – Risks will be mitigated with containment and spill response plans.

- Methanol Vapor Emissions – Risks will be mitigated with condensation/recovery of excess methanol, vent collection, and incineration of minor quantities of non-condensable methanol.

b. Noise

1) What types of noise exist in the area which may affect your project (for example: traffic, equipment, operation, other)?

This project will occur in an active industrial and shipping area. Noises in these areas are typical for these types of activities.

2) What types and levels of noise would be created by or associated with the project on a short-term or a long-term basis (for example: traffic, construction, operation, other)? Indicate what hours noise would come from the site.

Both in the short-term and long-term, noise increases will be associated with operation of rail in the area and motor noise associated with the off-loading equipment (electric motors) and the manufacturing facility, which will normally operate 24 hours per day, 7 days per week.

3) Proposed measures to reduce or control noise impacts, if any:

There are no proposed measures to reduce or control noise impacts.

8. Land and shoreline use

a. What is the current use of the site and adjacent properties?

The existing site is vacant industrial. The site is bordered to the south by the Chehalis River, to the west and east by industrial facilities, and to the north by the railroad and Port Industrial Road.

b. Has the site been used for agriculture? If so, describe.

No.

c. Describe any structures on the site.

A dock and conveyor are adjacent to the site.

d. Will any structures be demolished? If so, what?

No structures will be demolished.

e. What is the current zoning classification of the site?

Current land use designation is Heavy Industrial (for both the City of Hoquiam and City of Aberdeen).

f. What is the current comprehensive plan designation of the site?

Current land use designation is Industrial (for both the City of Hoquiam and City of Aberdeen).

g. If applicable, what is the current shoreline master program designation of the site?

The shoreline master plan designation for the site is urban development.

h. Has any part of the site been classified as an "environmentally sensitive" area? If so, specify.

Fry Creek and the Chehalis River are adjacent to the site.

i. Approximately how many people would reside or work in the completed project?

Approximately 50 employees would work in the completed project. No employees will reside in the completed project.

j. Approximately how many people would the completed project displace?

None.

k. Proposed measures to avoid or reduce displacement impacts, if any:

None.

l. Proposed measures to ensure the proposal is compatible with existing and projected land uses and plans, if any:

The proposal will take place in both the City of Hoquiam and the City of Aberdeen. Since the majority of the project is within the City of Hoquiam, the City of Hoquiam will be the lead agency for local permits. This project is allowed under the Conditional Use Permit and is consistent with land use and comprehensive plans for both the City of Hoquiam and the City of Aberdeen.

Since there will be greater than 1 million gallons of liquid fuels stored on site, Ecology will be the lead agency on SEPA.

9. Housing

a. Approximately how many units would be provided, if any? Indicate whether high, middle, or low-income housing.

N/A

b. Approximately how many units, if any, would be eliminated? Indicate whether high, middle, or low-income housing.

N/A

c. Proposed measures to reduce or control housing impacts, if any:

N/A

10. Aesthetics

a. What is the tallest height of any proposed structure(s), not including antennas; what is the principal exterior building material(s) proposed?

The maximum height of any structure will be the distillation column (75 to 100 feet tall), which will be made of steel. The maximum height of the tanks in the tank farm will be 60 feet.

b. What views in the immediate vicinity would be altered or obstructed?

Adjacent parcels are currently under industrial use; therefore, the proposal will be consistent with other aesthetics in the vicinity. Some structures will be visible in the surrounding area, but will not obstruct any views.

c. Proposed measures to reduce or control aesthetic impacts, if any:

None.

11. Light and glare

a. What type of light or glare will the proposal produce? What time of day would it mainly occur?

Lighting of the tank farm, production facility and parking lot will be required between the hours of dusk and dawn that will slightly raise ambient light levels in the area.

b. Could light or glare from the finished project be a safety hazard or interfere with views?

The facility is in an existing industrial area and is consistent with other activities in the area. Therefore, light from the facility is not expected to be a safety hazard or interfere with views.

c. What existing off-site sources of light or glare may affect your proposal?

None.

d. Proposed measures to reduce or control light and glare impacts, if any:

None.

12. Recreation

a. What designated and informal recreational opportunities are in the immediate vicinity?

The Chehalis River and Grays Harbor provide informal recreational opportunities. The 28th Street boat ramp and viewing tower, owned by PGH, are adjacent to the parcel.

b. Would the proposed project displace any existing recreational uses? If so, describe.

No.

c. Proposed measures to reduce or control impacts on recreation, including recreation opportunities to be provided by the project or applicant, if any:

None.

13. Historic and cultural preservation

a. Are there any places or objects listed on, or proposed for, national, state, or local preservation registers known to be on or next to the site? If so, generally describe.

There are no places or objects of historical significance on or near the site.

b. Generally describe any landmarks or evidence of historic, archaeological, scientific, or cultural importance known to be on or next to the site.

None known.

c. Proposed measures to reduce or control impacts, if any:

None.

14. Transportation

a. Identify public streets and highways serving the site, and describe proposed access to the existing street system. Show on site plans, if any.

This project will require access to West First Street via Port Industrial Road.

b. Is the site currently served by public transit? If not, what is the approximate distance to the nearest transit stop?

No transit services are available.

c. How many parking spaces would the completed project have? How many would the project eliminate?

This project includes space for 50 parking places. No parking spaces will be eliminated.

d. Will the proposal require any new roads or streets, or improvements to existing roads or streets, not including driveways? If so, generally describe (indicate whether public or private).

This project will require a new rail spur crossing across Port Industrial Road.

e. Will the project use (or occur in the immediate vicinity of) water, rail, or air transportation? If so, generally describe.

The project will require tri-modal transportation and will be able to utilize truck, rail, or water transportation independently.

f. How many vehicular trips per day would be generated by the completed project? If known, indicate when peak volumes would occur.

This project will require up to ten truck and trailer loads per day. There will be three unit trains a month. There will be one in bound ship every four to six weeks and two outbound barges per month. There will be up to 20 employee trips per regular business hours, eight to five, Monday through Friday. There will be up to six employee trips during evening business shifts and up to twelve employee trips per day on weekend shifts.

g. Proposed measures to reduce or control transportation impacts, if any:

None.

15. Public services

a. Would the project result in an increased need for public services (for example: fire protection, police protection, health care, schools, other)? If so, generally describe.

Imperium Grays Harbor, L.L.C. met with the City of Hoquiam Fire Department to discuss any special requirements the manufacturing facility may need. The project will not result in an increased need for public services.

b. Proposed measures to reduce or control direct impacts on public services, if any.

None.

16. Utilities

a. Circle utilities currently available at the site: electricity, natural gas, water, refuse service, telephone, sanitary sewer, septic system, other: potable water

Utilities upgrades will be necessary for this project. Electricity upgrades to the facility will be required. Natural gas will need to be tied to the existing line. A sanitary sewer will be required and will require a clean-out of the existing system. Additionally, an industrial water tie-in will be required. Lastly, a potable water tie-in will be required.

b. Describe the utilities that are proposed for the project, the utility providing the service, and the general construction activities on the site or in the immediate vicinity which might be needed.

The utilities proposed for this project require working with existing service companies. Electricity required for the project will come from the Gray's Harbor PUD. Natural gas will come from Cascade Natural Gas. Industrial water will be supplied by the City of Aberdeen or City of Hoquiam. Wastewater will be sent to the local private industrial paper mill lagoon or the City of Hoquiam or City of Aberdeen's wastewater treatment plant. Telephone and internet services will need to be installed with the local provider. The refuse system will need to be contracted with the local waste management service provider. General construction will require a sub-station in conjunction with the Gray's Harbor PUD located on the facility. In order to tie in to the existing natural gas line located along John Stevens Way, there will be necessary construction to tie into the gas line along Port Industrial Road to avoid crossing Fry Creek.

C. SIGNATURE

The above answers are true and complete to the best of my knowledge. I understand that the lead agency is relying on them to make its decision.

Signature: _____

Title: _President and Founder, Imperium Grays Harbor, L.L.C._

Date Submitted: _____June 8, 2006_____

Reviewed by: _____

Title: _____ Division_____

Date: _____

FIGURES

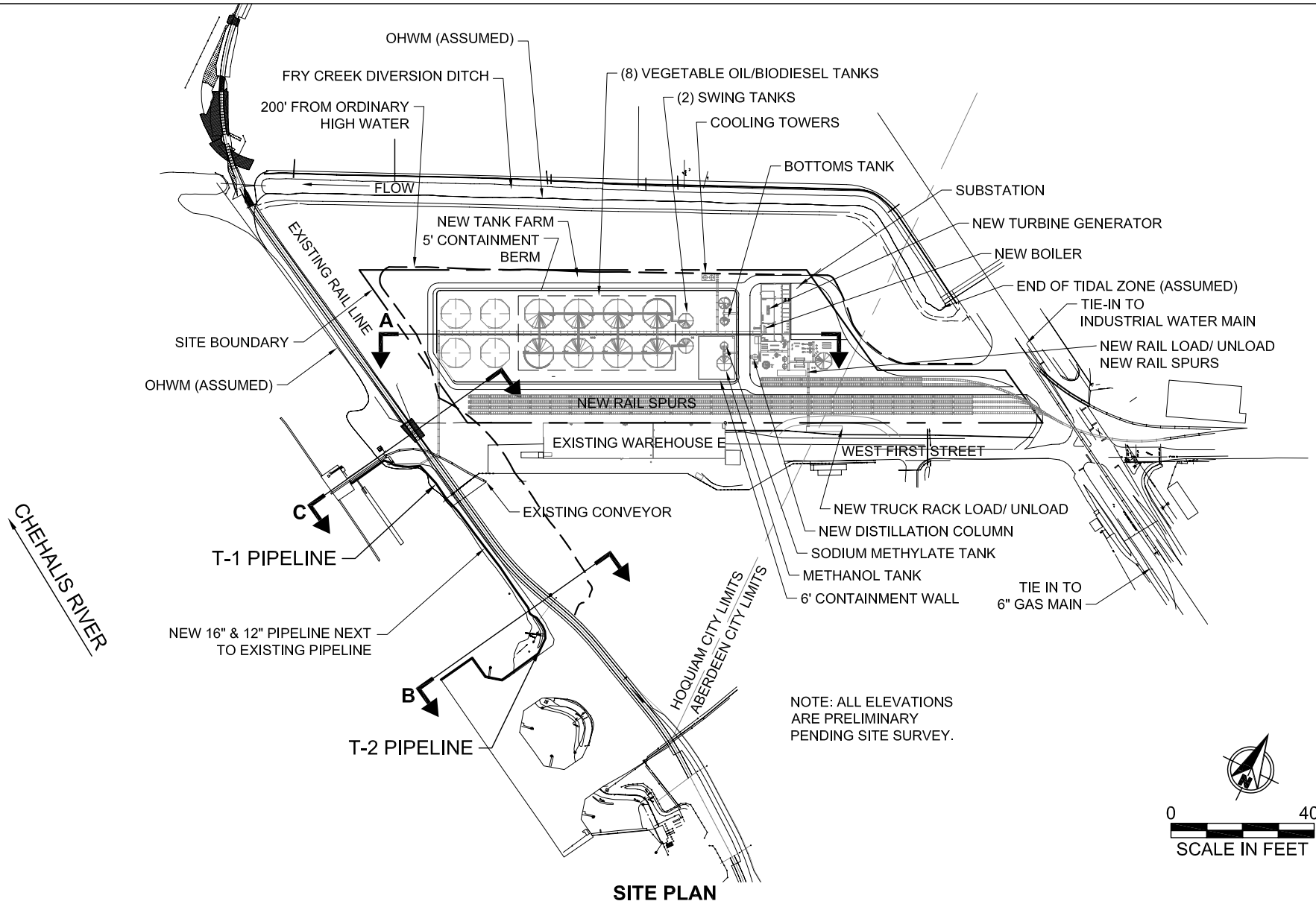
Note: Base map prepared from Terrain Navigator Pro USGS 7.5 minute quadrangle map of Aberdeen, WA.

0 2000
SCALE IN FEET

VICINITY MAP

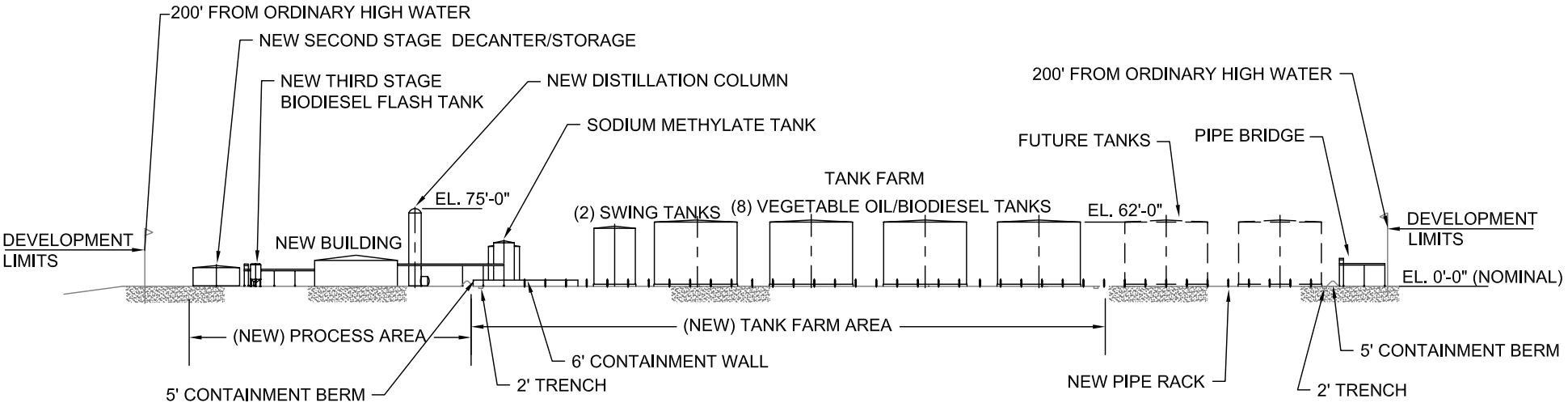
PURPOSE: CONSTRUCT A BIODIESEL MANUFACTURING FACILITY	NAME: IMPERIUM GRAYS HARBOR	PROPOSED: BIODIESEL MANUFACTURING FACILITY
DATUM: 46° 58' 04" N 123° 51' 17" W	REFERENCE #: TBD	IN: ABERDEEN NEAR: GRAYS HARBOR COUNTY OF: GRAYS HARBOR STATE: WA
ADJACENT PROPERT OWNERS:	SITE LOCATION ADDRESS: PORT OF GRAYS HARBOR TERMINAL 1	SHEET: 1 OF 3 DATE: JUNE 2006

K:\Jobs\060348-BIODIESEL\060348010600348010-01.dwg SEPA
Jun 06, 2006 2:28pm hlevasseur



SITE PLAN

PURPOSE: CONSRUCT A BIODIESEL MANUFACTURING FACILITY DATUM: 46° 58' 04" N 123° 51' 17" W	NAME: IMPERIUM GRAYS HARBOR REFERENCE #: TBD SITE LOCATION ADDRESS: PORT OF GRAYS HARBOR TERMINAL 1	PROPOSED: BIODIESEL MANUFACTURING FACILITY 1/4 SECTION: SW SECTION: 7 TOWNSHIP: 17N RANGE: 9W COUNTY OF: GRAYS HARBOR STATE: WA SHEET: 2 OF 3 DATE: JUNE 2006



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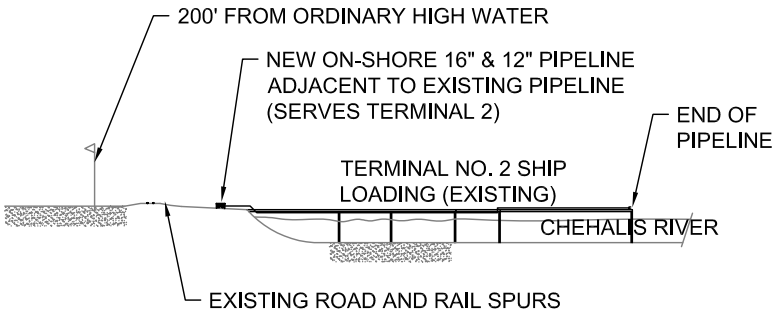
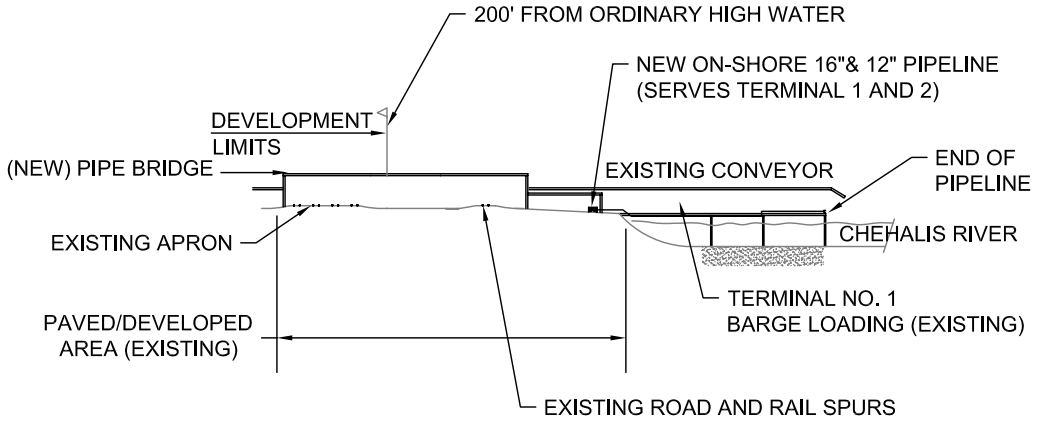


CROSS SECTION B



CROSS SECTION C

NOTE: ALL ELEVATIONS ARE
PRELIMINARY PENDING SITE SURVEY.

0 150
SCALE IN FEET

CROSS SECTIONS

PURPOSE: CONSTRUCT A BIODIESEL MANUFACTURING FACILITY DATUM: 46° 58' 04" N 123° 51' 17" W	NAME: IMPERIUM GRAYS HARBOR REFERENCE #: TBD SITE LOCATION ADDRESS: PORT OF GRAYS HARBOR TERMINAL 1	PROPOSED: BIODIESEL MANUFACTURING FACILITY 1/4 SECTION: SW SECTION: 7 TOWNSHIP: 17N RANGE: 9W COUNTY OF: GRAYS HARBOR STATE: WA SHEET: 3 OF 3 DATE: JUNE 2006

APPENDICES

APPENDIX A

BERGLUND, SCHMIDT & ASSOCIATES, INC.
professional engineers & land surveyors

April 20, 2006

LEGAL DESCRIPTION FOR:

Port of Grays Harbor
P.O. Box 660
Aberdeen, WA 98520

RE: PORT INDUSTRIAL AREA LEASE NO. 1014

That portion of Tract 24 of Hoquiam Tidelands and Lot 8 and Fry Creek Waterway of Tract 20 of Aberdeen Tidelands lying in front of Section 7, Township 17 North, Range 9 West of the Willamette Meridian, Grays Harbor County, Washington, described as follows;

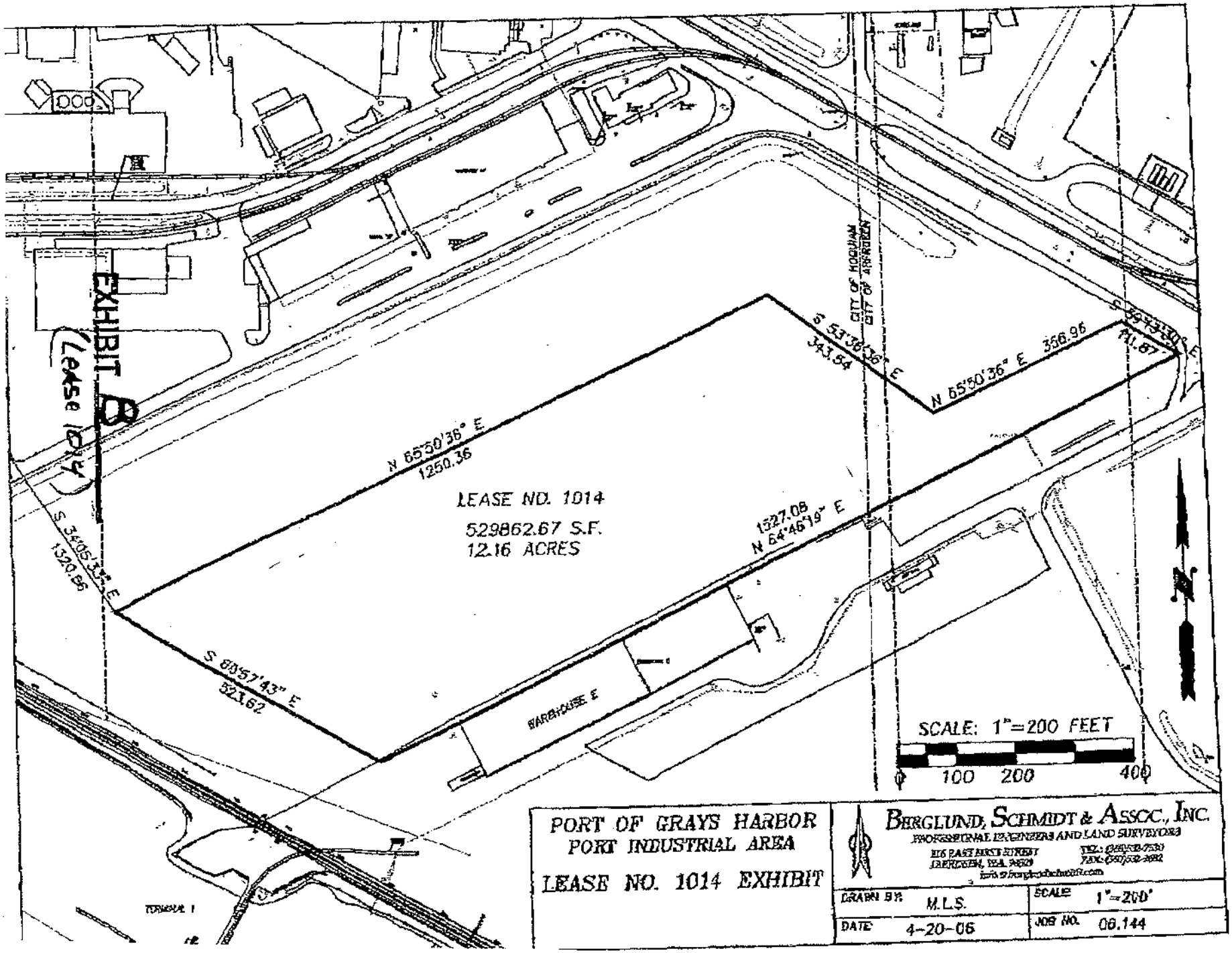
Commencing at the Meander corner common to Section 7, Township 17 North, Range 9 W.W.M. and Section 12, Township 17 North, Range 10 W.W.M.;
Thence South 34° 05' 33" East on a Tideland Bearing a distance of 1320.86 feet to the True Point of Beginning;
Thence North 65° 50' 36" East a distance of 1250.36 feet;
Thence South 53° 36' 36" East a distance of 343.54 feet;
Thence North 65° 50' 36" East a distance of 356.96 feet;
Thence South 59° 13' 30" East a distance of 111.87 feet;
Thence South 64° 46' 19" West a distance of 1527.08 feet;
Thence North 60° 57' 43" West a distance of 523.62 feet to the True Point of Beginning.

This parcel contains 529,862.67 square feet or 12.16 acres.

Michael L. Schmidt, PLS

EXHIBIT A
(LEASE 1014)

216 East First Street • Aberdeen, Washington 98520 • (360) 532-7630 • (360) 532-3682 FAX
Email: info@berglundschmidt.com



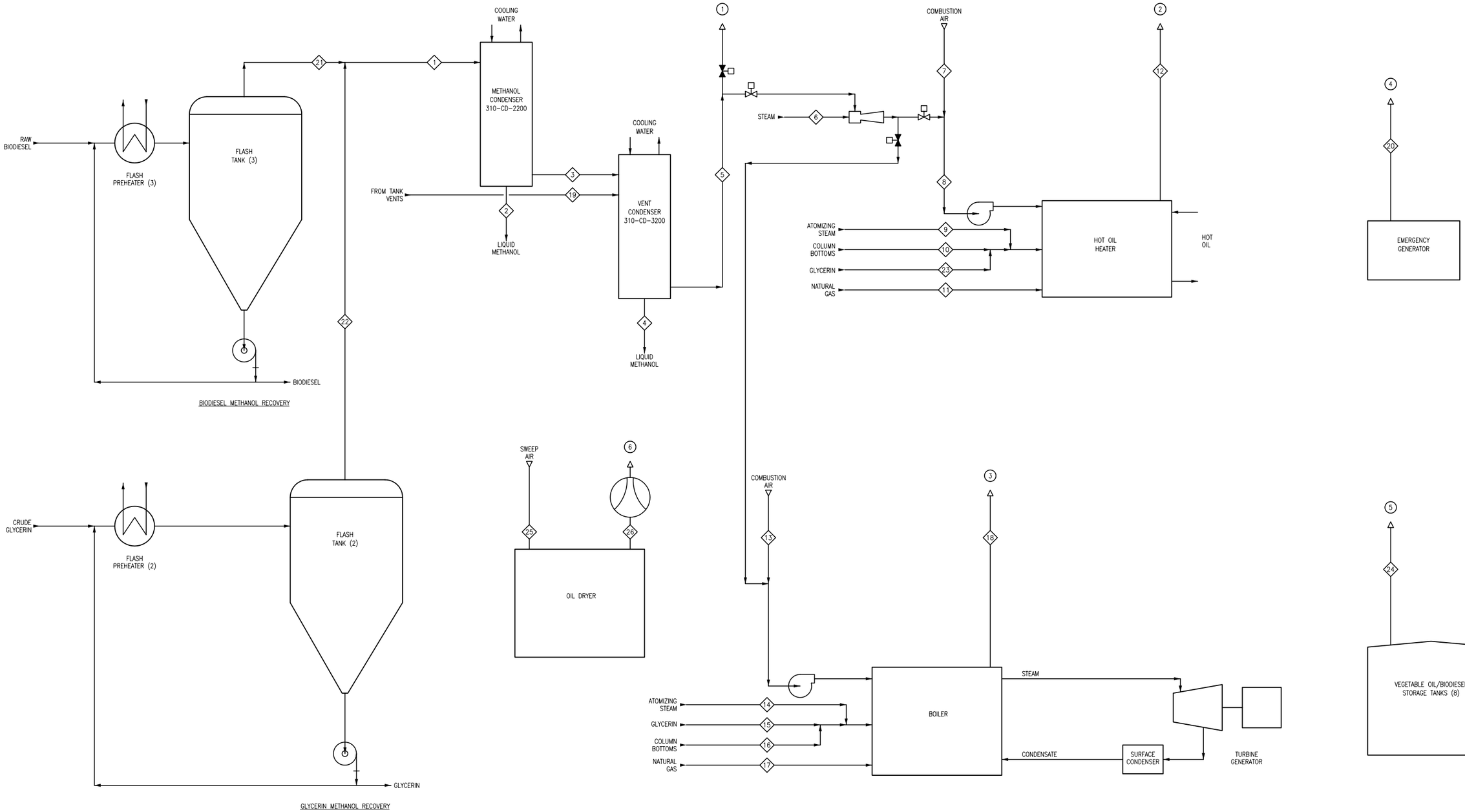
PORT OF GRAYS HARBOR
PORT INDUSTRIAL AREA

LEASE NO. 1014 EXHIBIT

BERGLUND, SCHMIDT & ASSOC., INC.
PROFESSIONAL ENGINEERS AND LAND SURVEYORS
816 EAST HIGH STREET
ABERDEEN, WA. 98520
TEL.: (360)533-7535
FAX: (360)532-3892
info@berglundschmidt.com

DRAWN BY: M.L.S.	SCALE: 1"=200'
DATE: 4-20-06	JOB NO. 06.144

APPENDIX B



No.	REFERENCE	NUMBER
7		
6		
5		
4		
3		
2		
1		

REVISION CODES

A – PRELIMINARY
B – REVISION
C – DESIGN
D – MATERIAL PROCUREMENT
E – BID
O – CONSTRUCTION
1,2,3 – NUMERICAL AFTER RFC

No.	DATE	REVISION	DRN.	APPR.
A	–	PRELIMINARY	FDL	

PARKER, MESSANA & ASSOCIATES, INC.
CONSULTING ENGINEERS
Federal Way / Kennewick

DESIGNED BY: D. PARKER	DATE: 16MAY06
CHECKED BY:	DATE:
APPROVED BY:	DATE:
PROJECT No. 06-020	
SCALE: NONE	

BIODIESEL PRODUCTION FACILITY

PROCESS FLOW DIAGRAM AIR EMISSION POINTS

DRAWING NO. GH-800-PF-010 | SHT. 1 of 1 | REV. A

LAST USER: - DATE: - PMA CAD FILE\

APPENDIX C

Anchor Environmental, L.L.C.
1423 3rd Avenue, Suite 300
Seattle, Washington 98101
Phone 206.287.9130
Fax 206.287.9131

Memorandum

To: Mark Warner, Imperium Grays Harbor, L.L.C.

From: Brad Thiele, Anchor Environmental, L.L.C.

Date: June 7, 2006

Re: Port of Grays Harbor Terminal 1 Wetland Determination

This memorandum summarizes details of a site visit made to determine whether wetlands are present on the Terminal 1 parcel at the Port of Grays Harbor. The 22.9 acre parcel is located in the southwest quarter of Section 7, Township 17 north, Range 9 west, in Grays Harbor County, Washington. Wetlands were identified on the parcel. The delineation followed methods outlined in the Washington State Wetlands Identification and Delineation Manual (Ecology 1997).

1 DOCUMENT REVIEW

National Wetland Inventory (NWI) maps and the Soil Survey, Grays Harbor County (SCS 1986) were reviewed to see whether either source indicates the presence of wetlands or wetland soils. The NWI maps indicate that wetlands are not present on the site.

The Soil Survey of Grays Harbor County maps only a small portion of the site since the site was filled after the mapping was complete. The mapped area consists of level Udorthents. Udorthents are very deep, moderately well drained, somewhat excessively drained, and excessively drained soils on diked tidelands. The soils are formed in sandy and loamy river dredgings. The slope is 0 to 2 percent. The native vegetation is annuals and shrubs. Elevation is sea level to 30 feet. The average annual precipitation is 60 to 80 inches. No single profile is representative of these soils, but one commonly observed soil has a surface layer that is dark grayish brown sandy loam about 6 inches thick.

2 SITE VISIT

The site visit was conducted on May 31, 2006, to assess the potential for development of a biodiesel manufacturing facility. The site was examined to evaluate whether indicators of wetland vegetation, hydrology, and soil were present.

The site has been used for various Port activities, and informal roads and drainages were present. Overall, the site appeared to drain to a weir structure that was designed to control dewatering of river and harbor dredged material.

Areas that had wetland vegetation were examined for soils and hydrology. If an area exhibited wetland indicators for vegetation, soils, and hydrology, then it met wetland criteria.

Wetland areas were identified on the south end of the parcel extending parallel to the existing rail line and in the northwest corner of the site. Wetland areas along the existing rail line were impoundments caused by poor drainage under a few of the informal roads. These may have been caused by plugged or failed culverts. This series of 5 to 10 foot wide wetlands started adjacent to the existing apron and continued northwest parallel to the rail road for about 450 feet and ended at a weir structure.

A larger impoundment was present at the weir structure that also met wetland criteria. A swale extended north from the weir structure along the Fry Creek berm. The swale lacked hydric soils and therefore did not meet wetland criteria.

However, about 650 feet from the weir structure, standing water was observed in the swale and hydric soil characters were observed. The swale continued to the north and opened into an area of standing water and emergent vegetation. This area is against the berm for Fry Creek and is about 100 feet wide at the widest point.

3 CONCLUSION

Wetlands were present at the site as observed on the May 31 site visit. These wetlands are all within the 200 foot shoreline setback and will be avoided by any development activities. Since these

wetlands were constructed and created on fill, they may not be regulated. A jurisdictional determination is recommended before any activity is proposed in these areas in the future.

4 WORKS CITED

USDA Soil Conservation Service (SCS). 1986. Soil Survey, Grays Harbor Area Washington. Environmental Laboratory.

Washington State Department of Ecology (Ecology). 1997. Washington State Wetlands Identification and Delineation Manual. Publication #96-94. Olympia, WA.

APPENDIX D

International Chemical Safety Cards

METHANOL

ICSC: 0057

Methyl alcohol
Carbinol
Wood alcohol
CH_4O / CH_3OH
Molecular mass: 32.0

ICSC # 0057
CAS # 67-56-1
RTECS # PC1400000
UN # 1230
EC # 603-001-00-X
April 11, 2000 Peer reviewed

TYPES OF HAZARD/ EXPOSURE	ACUTE HAZARDS/ SYMPTOMS	PREVENTION	FIRST AID/ FIRE FIGHTING
FIRE	Highly flammable. See Notes.	NO open flames, NO sparks, and NO smoking. NO contact with oxidants.	Powder, alcohol-resistant foam, water in large amounts, carbon dioxide.
EXPLOSION	Vapour/air mixtures are explosive.	Closed system, ventilation, explosion-proof electrical equipment and lighting. Do NOT use compressed air for filling, discharging, or handling. Use non-sparking handtools.	In case of fire: keep drums, etc., cool by spraying with water.
EXPOSURE		AVOID EXPOSURE OF ADOLESCENTS AND CHILDREN!	
•INHALATION	Cough. Dizziness. Headache. Nausea. Weakness. Visual disturbance.	Ventilation. Local exhaust or breathing protection.	Fresh air, rest. Refer for medical attention.
•SKIN	MAY BE ABSORBED! Dry skin. Redness.	Protective gloves. Protective clothing.	Remove contaminated clothes. Rinse skin with plenty of water or shower. Refer for medical attention.
•EYES	Redness. Pain.	Safety goggles or eye protection in combination with breathing protection.	First rinse with plenty of water for several minutes (remove contact lenses if easily possible), then take to a doctor.
•INGESTION	Abdominal pain. Shortness of breath. Vomiting. Convulsions. Unconsciousness. (Further see Inhalation).	Do not eat, drink, or smoke during work. Wash hands before eating.	Induce vomiting (ONLY IN CONSCIOUS PERSONS!). Refer for medical attention.

SPILLAGE DISPOSAL	STORAGE	PACKAGING & LABELLING
Evacuate danger area! Ventilation. Collect leaking liquid in sealable containers. Wash away remainder with plenty of water. Remove vapour with fine water spray. Chemical protection suit including self-contained breathing apparatus.	Fireproof. Separated from strong oxidants, food and feedstuffs . Cool.	Do not transport with food and feedstuffs. F symbol T symbol R: 11-23/24/25-39/23/24/25 S: 1/2-7-16-36/37-45 UN Hazard Class: 3 UN Subsidiary Risks: 6.1 UN Packing Group: II

SEE IMPORTANT INFORMATION ON BACK

ICSC: 0057

International Chemical Safety Cards

METHANOL

ICSC: 0057

IMPORTANT DATA	**PHYSICAL STATE; APPEARANCE:** COLOURLESS LIQUID , WITH CHARACTERISTIC ODOUR. **PHYSICAL DANGERS:** The vapour mixes well with air, explosive mixtures are easily formed. **CHEMICAL DANGERS:** Reacts violently with oxidants causing fire and explosion hazard. **OCCUPATIONAL EXPOSURE LIMITS:** TLV: 200 ppm as TWA, 250 ppm as STEL; (skin); BEI issued; (ACGIH 2004). MAK: 200 ppm, 270 mg/m³; Peak limitation category: II(4); skin absorption (H); Pregnancy risk group: C (DFG 2004). OSHA PEL*: TWA 200 ppm (260 mg/m^3) NIOSH REL: TWA 200 ppm (260 mg/m^3) ST 250 ppm (325 mg/m^3) skin NIOSH IDLH: 6000 ppm See: 67561	**ROUTES OF EXPOSURE:** The substance can be absorbed into the body by inhalation and through the skin and by ingestion. **INHALATION RISK:** A harmful contamination of the air can be reached rather quickly on evaporation of this substance at 20°C. **EFFECTS OF SHORT-TERM EXPOSURE:** The substance is irritating to the eyes , the skin and the respiratory tract . The substance may cause effects on the central nervous system , resulting in loss of consciousness.Exposure may result in blindness and death.The effects may be delayed.Medical observation is indicated. **EFFECTS OF LONG-TERM OR REPEATED EXPOSURE:** Repeated or prolonged contact with skin may cause dermatitis. The substance may have effects on the central nervous system , resulting in persistent or recurring headaches and impaired vision.
PHYSICAL PROPERTIES	Boiling point: 65°C Melting point: -98°C Relative density (water = 1): 0.79 Solubility in water: miscible Vapour pressure, kPa at 20°C: 12.3	Relative vapour density (air = 1): 1.1 Relative density of the vapour/air-mixture at 20°C (air = 1): 1.01 Flash point: 12°C c.c. Auto-ignition temperature: 464°C Explosive limits, vol% in air: 5.5-44 Octanol/water partition coefficient as log Pow: -0.82/-0.66

ENVIRONMENTAL DATA	

NOTES

Burns with nonluminous bluish flame. Depending on the degree of exposure, periodic medical examination is suggested. Card has been partly updated in April 2005. See section Occupational Exposure Limits.

Transport Emergency Card: TEC (R)-30S1230
NFPA Code: H 1; F 3; R 0;

ADDITIONAL INFORMATION

ICSC: 0057 **METHANOL**

IMPORTANT LEGAL NOTICE:	Neither NIOSH, the CEC or the IPCS nor any person acting on behalf of NIOSH, the CEC or the IPCS is responsible for the use which might be made of this information. This card contains the collective views of the IPCS Peer Review Committee and may not reflect in all cases all the detailed requirements included in national legislation on the subject. The user should verify compliance of the cards with the relevant legislation in the country of use. The only modifications made to produce the U.S. version is inclusion of the OSHA PELs, NIOSH RELs and NIOSH IDLH values.

International Chemical Safety Cards

SODIUM METHYLATE

ICSC: 0771

Sodium methoxide
CH_3ONa
Molecular mass: 54.0

ICSC # 0771
CAS # 124-41-4
RTECS # PC3570000
UN # 1431
EC # 603-040-00-2
March 28, 1996 Peer reviewed

TYPES OF HAZARD/ EXPOSURE	ACUTE HAZARDS/ SYMPTOMS	PREVENTION	FIRST AID/ FIRE FIGHTING
FIRE	Highly flammable. Many reactions may cause fire or explosion.	NO open flames, NO sparks, and NO smoking. NO contact with water.	Dry powder. Dry sand. NO hydrous agents. NO water.
EXPLOSION	Finely dispersed particles form explosive mixtures in air.	Prevent deposition of dust; closed system, dust explosion-proof electrical equipment and lighting.	In case of fire: cool drums, etc., by spraying with water but avoid contact of the substance with water.
EXPOSURE		PREVENT DISPERSION OF DUST! AVOID ALL CONTACT!	
•INHALATION	Sore throat. Cough. Burning sensation. Shortness of breath. Symptoms may be delayed (see Notes).	Ventilation, local exhaust, or breathing protection.	Fresh air, rest. Half-upright position. Artificial respiration may be needed. Refer for medical attention.
•SKIN	Redness. Pain. Blisters.	Protective gloves. Protective clothing.	First rinse with plenty of water, then remove contaminated clothes and rinse again. Refer for medical attention.
•EYES	Redness. Pain. Severe deep burns.	Safety goggles, or eye protection in combination with breathing protection if powder.	First rinse with plenty of water for several minutes (remove contact lenses if easily possible), then take to a doctor.
•INGESTION	Abdominal pain. Burning sensation. Shock or collapse.	Do not eat, drink, or smoke during work.	Rinse mouth. Do NOT induce vomiting. Refer for medical attention.

SPILLAGE DISPOSAL	STORAGE	PACKAGING & LABELLING
Evacuate danger area! Consult an expert! Do NOT wash away into sewer.	Fireproof. Separated from strong oxidants, strong acids, food and	Airtight. Unbreakable packaging; put breakable packaging into closed

Sweep spilled substance into clean and dry containers. Do NOT absorb in saw-dust or other combustible absorbents. Personal protection: chemical protection suit including self-contained breathing apparatus.	feedstuffs . Cool. Dry.	unbreakable container. Do not transport with food and feedstuffs. F symbol C symbol R: 11-14-34 S: 1/2-8-16-26-43-45 UN Hazard Class: 4.2 UN Subsidiary Risks: 8 UN Packing Group: II

SEE IMPORTANT INFORMATION ON BACK

ICSC: 0771

International Chemical Safety Cards

SODIUM METHYLATE

ICSC: 0771

I M P O R T A N T D A T A	**PHYSICAL STATE; APPEARANCE:** WHITE , FREE-FLOWING POWDER. **PHYSICAL DANGERS:** Dust explosion possible if in powder or granular form, mixed with air. **CHEMICAL DANGERS:** Heating may cause violent combustion or explosion. The substance may spontaneously ignite on contact with air. The substance is a strong reducing agent and reacts violently with oxidants. The substance is a strong base, it reacts violently with acid and is corrosive. Reacts violently with water producing flammable methanol and corrosive sodium hydroxide. Attacks many metals forming flammable/explosive gas (hydrogen - see ICSC 0001). **OCCUPATIONAL EXPOSURE LIMITS:** TLV not established.	**ROUTES OF EXPOSURE:** The substance can be absorbed into the body by inhalation and by ingestion. **INHALATION RISK:** Evaporation at 20°C is negligible; a harmful concentration of airborne particles can, however, be reached quickly. **EFFECTS OF SHORT-TERM EXPOSURE:** Corrosive. The substance is corrosive to the eyes, the skin and the respiratory tract. Inhalation of dusts may cause lung oedema (see Notes). The effects may be delayed. Medical observation is indicated. **EFFECTS OF LONG-TERM OR REPEATED EXPOSURE:**
PHYSICAL PROPERTIES	Melting point (decomposes): 127°C Relative density (water = 1): 0.45 Solubility in water: reaction	Auto-ignition temperature: 70-80°C
ENVIRONMENTAL DATA		

NOTES

Reacts violently with fire extinguishing agents such as water. The symptoms of lung oedema often do not become manifest until a few hours have passed and they are aggravated by physical effort. Rest and medical observation are therefore essential. Immediate administration of an appropriate inhalation therapy by a doctor or a person authorized by him/her, should be considered. Rinse contaminated clothes (fire hazard) with plenty of water. Card has been partly

updated in October 2004. See sections Occupational Exposure Limits, EU classification, Emergency Response.
Transport Emergency Card: TEC (R)-42GSC4-II+III

ADDITIONAL INFORMATION

ICSC: 0771 **SODIUM METHYLATE**

International Chemical Safety Cards

CITRIC ACID

ICSC: 0855

2-Hydroxy-1,2,3-propanetricarboxylic acid
beta-Hydroxytricarballylic acid
Anhydrous citric acid
$C_6H_8O_7$ / $CH_2COOHC(OH)COOHCH_2COOH$
Molecular mass: 192.1

ICSC # 0855
CAS # 77-92-9
RTECS # GE7350000
March 26, 1998 Peer reviewed

TYPES OF HAZARD/ EXPOSURE	ACUTE HAZARDS/ SYMPTOMS	PREVENTION	FIRST AID/ FIRE FIGHTING
FIRE	Combustible.	NO open flames.	Powder, water spray, foam, carbon dioxide.
EXPLOSION	Finely dispersed particles form explosive mixtures in air.	Prevent deposition of dust; closed system, dust explosion-proof electrical equipment and lighting.	
EXPOSURE		PREVENT DISPERSION OF DUST!	
•INHALATION	Cough. Shortness of breath. Sore throat.	Ventilation (not if powder).	Fresh air, rest. Refer for medical attention.
•SKIN	Redness.	Protective gloves.	Rinse skin with plenty of water or shower. Refer for medical attention.
•EYES	Redness. Pain.	Safety goggles.	First rinse with plenty of water for several minutes (remove contact lenses if easily possible), then take to a doctor.
•INGESTION	Abdominal pain. Sore throat.	Do not eat, drink, or smoke during work.	Rinse mouth. Refer for medical attention.

SPILLAGE DISPOSAL	STORAGE	PACKAGING & LABELLING
Sweep spilled substance into containers; if appropriate, moisten first to prevent dusting. Wash away remainder with plenty of water. (Extra personal protection: P2 filter respirator for harmful particles).	Separated from strong oxidants, strong bases, metal nitrates and metals. Dry.	R: S:

SEE IMPORTANT INFORMATION ON BACK

ICSC: 0855	Prepared in the context of cooperation between the International Programme on Chemical Safety & the Commission of the European Communities (C) IPCS CEC 1994. No modifications to the International version have been made except to add the OSHA PELs, NIOSH RELs and NIOSH IDLH values.

International Chemical Safety Cards

CITRIC ACID

ICSC: 0855

IMPORTANT DATA		
	PHYSICAL STATE; APPEARANCE: COLOURLESS CRYSTALS **PHYSICAL DANGERS:** Dust explosion possible if in powder or granular form, mixed with air. **CHEMICAL DANGERS:** The substance decomposes on heating above 175°C. The solution in water is a medium strong acid. Reacts with oxidants and bases. Attacks metal. **OCCUPATIONAL EXPOSURE LIMITS:** TLV not established. MAK not established.	**ROUTES OF EXPOSURE:** The substance can be absorbed into the body by inhalation and by ingestion. **INHALATION RISK:** Evaporation at 20°C is negligible; a nuisance-causing concentration of airborne particles can, however, be reached quickly when dispersed. **EFFECTS OF SHORT-TERM EXPOSURE:** The substance is irritating to the eyes , the skin and the respiratory tract . **EFFECTS OF LONG-TERM OR REPEATED EXPOSURE:** The substance may have effects on the teeth , resulting in erosion.
PHYSICAL PROPERTIES	Decomposes below boiling point at 175°C Melting point: 153°C Solubility in water, g/100 ml at 20°C: 59	Flash point: 100°C Explosive limits, vol% in air: 0.28-2.29 Octanol/water partition coefficient as log Pow: -1.7
ENVIRONMENTAL DATA		

NOTES

ADDITIONAL INFORMATION

IMPORTANT LEGAL NOTICE:	Neither NIOSH, the CEC or the IPCS nor any person acting on behalf of NIOSH, the CEC or the IPCS is responsible for the use which might be made of this information. This card contains the collective views of the IPCS Peer Review Committee and may not reflect in all cases all the detailed requirements included in national legislation on the subject. The user should verify compliance of the cards with the relevant legislation in the country of use. The only modifications made to produce the U.S. version is inclusion of the OSHA PELs, NIOSH RELs and NIOSH IDLH values.

APPENDIX E

DRAFT
PHASE I ENVIRONMENTAL SITE ASSESSMENT
PROPOSED BIODIESEL PROCESSING FACILITY
GRAYS HARBOR COUNTY, WASHINGTON

JUNE 2, 2006

FOR
SEATTLE BIOFUELS, INC.

Draft
Phase I Environmental Site Assessment
File No. 15342-001-01
June 2, 2006

Prepared for:

Seattle Biofuels, Inc.
1418 3rd Avenue, Suite 300
Seattle, Washington 98101

Attention: Steve Drennan

Prepared by:

GeoEngineers, Inc.
1101 South Fawcett Avenue, Suite 200
Tacoma, Washington 98402
(253) 383-4940

Tonya C. Kauhi
Environmental Scientist

Garrett R. Leque
Environmental Scientist

Sally L. Fisher
Associate, Environmental Scientist

TCK:GRL:SLF:aw:tt
TACO:\15\15342001\01\Finals\1534200101DraftR.doc

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PROPOSED BIODIESEL PROCESSING FACILITY
GRAYS HARBOR COUNTY, WASHINGTON
FOR
SEATTLE BIOFUELS, INC.

1.0 INTRODUCTION

This report summarizes the results of our Phase I Environmental Site Assessment (ESA) for the proposed biodiesel facility site located in Grays Harbor County, Washington. The property is located southwest of the intersection of Industrial Road and John Stevens Way within the Port of Grays Harbor. The site is located on portions of parcels 056402300000 and 029902000200. The portions of the subject parcels where the proposed biodiesel facility will be located are herein referred to as the "Site." The Site is shown relative to surrounding physical features in Figure 1. The general Site layout and surrounding property uses are shown on Figure 2.

Our study was completed at the request of Seattle Biofuels, Inc. (SBI). We understand that SBI is considering leasing the property from the Port of Grays Harbor to construct and operate a biodiesel processing facility. We also understand that the results of this Phase I ESA will be used to develop a pre-lease environmental baseline condition for the Site.

1.1 PHASE I ESA

The purpose of this Phase I ESA is to identify recognized environmental conditions[1] (RECs) that may affect the property. Our scope of services was developed in general accordance with American Society for Testing and Materials (ASTM) Standard E 1527-05 for Phase I ESAs which is intended to permit a user to satisfy one of the requirements to qualify for the innocent landowner, contiguous property owner, or bona fide prospective purchaser limitations on CERCLA liability, that is the practice that constitutes "all appropriate inquiry into the previous ownership and uses of the property consistent with good commercial or customary practice" as defined at 42 U.S.C. §9601." The scope of services described below was completed by, or under the direction of, an environmental professional as described in ASTM E 1527-05. Our specific scope of services for the Phase I ESA included:

1. Reviewing readily available geotechnical reports, environmental reports and/or other relevant documents pertaining to environmental conditions at the subject Site.
2. Reviewing the results of a federal, state, local and tribal environmental database search provided by an outside environmental data service for listings of sites with known or suspected environmental conditions on or nearby to the subject property within the search distances specified by ASTM:
   - NPL or tribal and state equivalent sites for 1 mile radius.
   - Delisted NPL sites for 1/2 mile radius.

[1] Recognized Environmental Conditions are defined in ASTM E1527-05 as "the presence or likely presence of any hazardous substances or petroleum products on a property under conditions that indicate an existing release, a past release, or a material threat of a release of any hazardous substances or petroleum products into structures on the property or into the ground, ground water, or surface water of the property. The term includes hazardous substances or petroleum products even under conditions in compliance with laws. The term is not intended to include *de minimis* conditions that generally do not present a threat to human health or the environment and that generally would not be the subject of an enforcement action if brought to the attention of appropriate governmental agencies. Conditions determined to be *de minimis* are not recognized environmental conditions."

- CERCLA, state-equivalent CERCLA, state-listed Brownfield sites and sites enrolled in state and tribal voluntary cleanup programs for 1/2 mile radius.
- Former CERCLIS and state-listed sites with no further remedial action status for 1/2 mile radius.
- RCRA corrective action sites for 1 mile radius.
- RCRA non-corrective action TSD facilities for 1/2 mile radius.
- Federal, state or tribal permitted landfills and solid waste management facilities for 1/2 mile radius.
- Leaking UST sites for 1/2 mile radius.
- UST sites for target and adjoining properties.
- RCRA small, medium and large quantity generators for target and adjoining properties.
- Local agency public health records for target property.
- Spill reporting records and ERNS for target property.
- Registries of publicly available lists of engineering controls or institutional controls for target property.

3. Reviewing regulatory agency files regarding listed sites of potential environmental concern relative to the subject Site.

4. Identifying a key Site manager with specific knowledge of past and present Site use and request that he or she meet a GeoEngineers' representative on site for an interview during the visual site reconnaissance. Interviewing others familiar with past and present uses of the Site and its vicinity, including the current property owner and tenants/occupants, as necessary.

5. Interviewing current owners or occupants of neighboring properties only as necessary to gather information or fill site-use data gaps regarding the subject property or if the subject property is abandoned and no owner or occupant interviews can be conducted.

6. Interviewing past owners and occupants of the subject property only as necessary to gather information or fill site-use data gaps regarding site use history.

7. Interviewing a representative of the local fire department, health department, and the Washington State Department of Ecology (Ecology) as necessary to gather information or fill data gaps regarding the history of the subject Site and surrounding properties relative to the likely presence of hazardous substances.

8. Reviewing historical aerial photographs, fire insurance maps, building department records, city directories, chain-of-title reports, land use and tax assessor records, as available and appropriate, to identify past development history on and adjacent to the Site relative to the possible use, generation, storage, release or disposal of hazardous substances. Attempt to identify uses of the Site from the present to the time that records show no apparent structures on the Site or back to the time the property was first used for residential, agricultural, commercial, industrial or governmental purposes.

9. Identifying and commenting on the nature and significance of data gaps relative to Site historical use.

10. Reviewing current United States Geological Society (USGS) topographic maps to identify the physiographic setting of the Site and providing a statement on the local geologic, soil and groundwater conditions based on our general experience and sources such as geologic maps and soil surveys.

11. Conducting a visual reconnaissance of the Site and adjacent properties to identify visible evidence of RECs.

12. Identifying the source(s) of potable water for the Site and current heating and sewage disposal system(s) used at the Site, if any, and their age if readily available.

13. Providing this written summary of the Phase I ESA results and identified RECs along with our opinion regarding the potential for contamination at the Site and the significance of any data gaps identified.

1.2 SPECIAL CONSIDERATIONS

Our scope of services did not include an environmental compliance audit, an evaluation for the presence of lead-based paint, mold, polychlorinated biphenyls (PCBs) in light ballasts, radon, lead in drinking water, asbestos-containing building materials or urea-formaldehyde insulation in on-site structures. Soil, surface water or groundwater sampling and chemical analysis, were not included in this scope of services.

2.0 SITE DESCRIPTION

2.1 GENERAL

The proposed biodiesel processing facility is located southwest of the intersection of Industrial Road and John Stevens Way within the Port of Grays Harbor. The western portion of the Site is located in Hoquiam and the eastern portion of the Site is located in Aberdeen, Washington. The western portion of the Site is located on the eastern portion of parcel number 056402300000, and the eastern portion of the Site is located on the western portion of parcel number 029902000200. The Site is located entirely on Port of Grays Harbor property. Involved parties include the Port of Grays Harbor (property owner) and Seattle Biofuels prospective leasee).

2.2 LOCATION, LEGAL DESCRIPTION AND SETTING

The Site is located adjacent to the north channel of the Cow Point Reach of Grays Harbor. The Site was previously a marine slip (Slip 1) that was filled with dredged material in the 1980s and 1990s. General Site information, property use(s) and the environmental setting of the Site area are summarized in Table 1. The Site location is shown on Figure 1. The layout of the Site in relation to surrounding properties is shown on Figure 2.

Table 1. Site Information

Topographic Map	U.S. Geological Survey, 7.5 minute Aberdeen, Washington topographic quadrangle map dated 1997.
Quarter, Section, Township and Range	Southwest quarter of Section 7, Township 17 North, Range 9 West.
Site General Location	The Site is located southwest of the intersection of Industrial Road and John Stevens Way at Port of Grays Harbor.
Site Address	Grays Harbor County Assessor's Office online parcel database lists the address as 03000 West 1st Street.
Site Legal Description	Legal descriptions for each subject parcel are presented in Appendix C for Environmental Lien Search report.
Site Approximate Area	Approximately 10 acres. Area based on site plan obtained from Seattle Biofuels.
Site Existing Use	Undeveloped.

Table 1. Site Information (Continued)

Geologic Setting	Puget Sound Lowland.
Nearest Surface Water Bodies	Grays Harbor (North Channel Low Point Reach) is adjacent to the south side of the Site.
Approximate Surface Elevation	Surface elevation less than 20 feet above mean sea level.
Soil and Geologic Conditions	Subsurface conditions generally consist of interbedded silts and sands (dredge fill), based on subsurface explorations completed at the Site during our geotechnical study in May 2006.
Depth to Groundwater	Depth to groundwater is approximately 10 feet below the ground surface (bgs) based on subsurface explorations completed at the Site during our geotechnical study in May 2006.
Inferred Direction of Shallow Ground Water Flow	To the northwest toward Fry Creek Ditch and/or west to Grays Harbor North Channel.

Our knowledge of the general physiographic setting, geology and groundwater occurrence in the Site vicinity is based on our review of the maps and reports listed above, and our general experience in the area. The reference to "upgradient", "downgradient" or "crossgradient" with respect to the direction of groundwater flow is inferred based on the above information.

2.3 SITE RECONNAISSANCE

2.3.1 Summary Of Observations

A representative of GeoEngineers performed a visual reconnaissance of the Site facility on May 16, 2006. The GeoEngineers representative was accompanied by Mr. Leonard Barnes, Deputy Executive Director of the Port of Grays Harbor. Mr. Barnes was identified as a "key site person" with knowledge of the Site. See Section 4.2 for "key site person" interview details.

The Site was accessed from West First Street. The Site is undeveloped.

Table 2 summarizes conditions observed during our Site reconnaissance. Photographs of the Site were taken to document observations made during our reconnaissance and are stored on file at GeoEngineers.

Table 2. Summary of Site Reconnaissance Observations

Site Feature	Observed	Not Observed	Comment, Location and/or Description and other development on site (e.g., pavement, etc.)
Structures (existing)		X	None observed.
Structures (evidence of former)		X	None observed.
Heating/Cooling System		X	None observed.
Floor Drains, Sumps or Drywells		X	None observed.
Aboveground Storage Tanks (ASTs)		X	None observed.
Underground Storage Tanks (USTs) or Evidence of USTs		X	None observed.
Drums or Other Containers		X	None observed.
Chemicals or Hazardous Materials (other than de minimis quantities of cleaning products)		X	None observed.

Table 2. Summary of Site Reconnaissance Observations (Continued)

Site Feature	Observed	Not Observed	Comment, Location and/or Description and other development on site (e.g., pavement, etc.)
Evidence of Leaks, Spills or Releases Surrounding ASTs, USTs, and/or Chemical Storage Areas		X	None observed.
Stained or Corroded Floors, Walls or Drains (other than apparent water stains or minor oil stains on pavement from parked vehicles)		X	None observed.
Pipes of Unknown Origin or Use		X	None observed.
On-site Septic System		X	None observed.
Sewage Disposal System			None observed.
Potable Water Supply		X	None observed.
Solid Waste Refuse Dumpsters	X		Six along Industrial Road (empty).
Hydraulic Hoists		X	None observed.
Oil/Water Separators		X	None observed.
Discolored or Stained Soil or Vegetation Potentially from Hazardous Substances		X	None observed.
Hazardous Waste Disposal Areas		X	None observed.
Uncontained Debris, Refuse or Unidentified Waste Materials	X		Some scrapped metal and plastic pipes. One metal crane boom. Miscellaneous debris, including fishing floats.
Standing Water or Other Liquids		X	None observed.
Catch Basins and Storm Water Drainage		X	None observed.
Pits/Ponds/Lagoons		X	None observed.
Waste or Wastewater Discharges		X	None observed.
Unusual Odors		X	None observed.
Stressed Vegetation		X	None observed.
Fill Material	X		Site is a known fill area.
Water Wells (agricultural, domestic, monitoring)		X	None observed.
Pad-Mounted Transformers		X	None observed.
Pole-Mounted Transformers		X	None observed.
Other Conditions of Environmental Concern		X	None observed.

2.3.2 Findings

Dredge fill material is a REC to the Site because of possible chemical contamination related to historic activities in the area where the material was dredged.

2.3.3 Data Gaps

Data gaps were not identified by this portion of the study.

2.4 ADJACENT PROPERTY AND VICINITY OBSERVATIONS

2.4.1 Summary Of Observations

We viewed properties located adjacent to and surrounding the Site on May 16, 2006, from accessible public rights-of-way and the Site. We did not enter adjacent properties or buildings. The Site is located in an area that is primarily industrial. Table 3 outlines adjacent land uses and pertinent observations with respect to conditions that could pose potential RECs on the Site. Figure 2 shows adjacent property uses and locations in relation to the Site.

Table 3. Adjoining Streets and Adjacent Properties Observations

Direction	Adjoining Street	Position Relative to Site	Adjacent Property and Use
North	John Stevens Way	Upgradient	Boatbuilding, paper production, wood chip manufacturing.
South	West First Street	Downgradient	Empty storage warehouse.
East	Industrial Road	Upgradient	Fuel Storage Facilities.
West	None	Downgradient	Waterway. (North Channel, Cow Point Reach, Grays Harbor)

Our knowledge of the general physiographic setting, geology and groundwater occurrence in the Site vicinity is based on our review of the maps and reports listed in Table 1, and our general experience in the area. The reference to "upgradient", "downgradient" or "crossgradient" with respect to the direction of groundwater flow is inferred based on the above information.

2.4.2 Findings

The fuel storage facilities located crossgradient and east of the Site across Industrial Road could pose a REC to the Site if leaks or spills occurred in the past.

2.4.3 Data Gaps

Data gaps were not identified by this portion of the study.

2.5 PREVIOUS REPORTS

2.5.1 Reports for Subject Site

We completed geotechnical studies at the Site in 1981, 1995 and 1996. The geotechnical studies pertained to filling of the Site and are described in detail in Section 4.2. We are currently completing a geotechnical study at the Site related to the proposed biodiesel facility.

We did not identify additional geotechnical, hydrological or environmental reports pertaining to the Site during our research.

2.5.2 Off-Site Reports

We identified the following environmental reports pertaining to facilities in the vicinity of the Site:

Tosco Bulk Plant No. 0291

GeoEngineers and others have performed site assessments, characterizations, delineations and groundwater sampling at the upgradient fuel storage facilities (Tosco Bulk Plant No. 0291), located east of the Site at 700 Myrtle Street. We reviewed the following documents:

- GeoEngineers, Site Characterization Studies, Bulk Fuel Facility No. 0291, November 13, 1998;
- GeoEngineers, Results of Groundwater Sampling, Tosco Bulk Fueling Facility No. 0291, March 1999;
- GeoEngineers, Delineation Assessment, Bulk Fuel Terminal No. 0291, June 22, 2001; and
- GeoEngineers, Delineation Assessment Report, Former Tosco/Unocal Bulk Plant No. 0291, February 10, 2003.

The reports indicate Pacific Environmental Group, Inc. (PEG) conducted a site assessment at Tosco Bulk Plant No. 0291 in October 1997 (PEG, 1998). Gasoline- and diesel-range petroleum hydrocarbons were detected in soil and groundwater samples collected from shallow borings at concentrations greater than MTCA Method A cleanup levels.

GeoEngineers installed six groundwater monitoring wells at or near the facility and performed quarterly groundwater monitoring and sampling between 1998 and 2003. Gasoline-range petroleum hydrocarbons and benzene were consistently detected at concentrations exceeding MTCA Method A cleanup levels in one on-site well. Gasoline- and diesel-range petroleum hydrocarbons and benzene were consistently detected at concentrations exceeding MTCA Method A cleanup levels in one well located approximately 80 feet southeast of the facility. Petroleum hydrocarbons and related constituents were generally not detected in the other four wells.

The groundwater flow direction beneath the facility has been variable and at times during previous studies could not be determined. It appears groundwater flow direction may be influenced by a ditch located on the south side of the facility.

Industrial Water Line

We also reviewed the following documents pertaining to Industrial Road northeast of the Site:

- Memorandum to Bryan Ewing from Roy Kuroiwa and John Funderbunk, May 12, 2003; and
- Utility maps provided by Kevin Varness, Grays Harbor County.

Petroleum contaminated soil was observed during installation of a 48-inch-diameter industrial water line along Industrial Road in 2003. Contaminated soil was observed generally in the area where Fry Creek crosses beneath Industrial Road. The concentrations of diesel-range petroleum hydrocarbons in soil, samples collected during the construction were less than MTCA cleanup levels.

Other Pipelines

At least three underground fuel lines and two lignin liquor utility pipes are indicated in the vicinity of the Site on construction plans we reviewed for the water line installation project.

2.5.3 Findings

The Tosco Bulk Plant No. 0291 and buried fuel and lignin liquor utility pipes may pose a REC for the Site.

2.5.4 Data Gaps

Data gaps identified during this portion of the study include the location, contents and status of buried underground fuel lines in the vicinity of the Site. We have reviewed plans for the industrial water line, which indicate the presence of buried fuel and lignin liquor lines; however, our knowledge of the lines is limited to the extent of what is indicated on the plans. We have not determined the current status/presence of these pipelines.

3.0 ENVIRONMENTAL RECORDS REVIEW

3.1 DATABASE SEARCH

GeoEngineers reviewed the results of a search of pertinent environmental regulatory lists and databases for current or previous facilities listed at addresses located within ASTM-specified distances from the Site. The information reviewed was provided by a subcontracted regulatory list search service, Environmental Data Resources, Inc. (EDR). The EDR report is presented in Appendix A. The report includes details regarding the listed facilities identified and maps showing the approximate locations of the listed facilities relative to the Site.

We reviewed the search results for listings pertaining to the Site and off-site facilities found within the specified distances from the Site were evaluated for potential impacts to the Site.

The Site was not identified on any of the databases reviewed. A total of seven facilities of interest were identified during the database search. Seven of those facilities are located near the Site. The remaining facilities identified either are located a significant distance from the Site or are located in an inferred down- or crossgradient position relative to the Site and are unlikely to pose a potential REC to the Site in our opinion.

Table 4. Summary of Regulatory Database Search Listings of Potential Environmental Concern

Location	Listed Business	Listed Address	Regulatory Database	Description
Northwest of Site	Panel Tech	2999 John Stevens Way	SPILLS, CSCSL, FINDS, VCP, ERNS, EMI, HMIRS	Approximately 375 gallons of phenol spilled on December 1, 2005. The affected medium was railroad track bed. Washington Department of Ecology indicates the presence of phenolic compounds greater than MTCA cleanup levels were confirmed in groundwater. The site was involved in the Voluntary Cleanup Program (VCP). See below.
Northwest of Site	Livingston Boats/ Westport Shipyard Inc.	2850 John Stevens Way	RCRA-SQG, FINDS	The site is listed as a Small Quantity Generator (SQG) with no reported violations The site is listed as a conditionally exempt SQG and has received six informal written enforcement actions and two informal verbal enforcement actions for various violations of "Generator General Requirements" between June 1999 and June 2003.

Table 4. Summary of Regulatory Database Search Listings of Potential Environmental Concern (Continued)

Location	Listed Business	Listed Address	Regulatory Database	Description
North of Site	ITT Rayonier Inc	PO Box 539 in Hoquiam provided in report; ITT site is located on John Stevens Way	UST	Site is listed as an underground storage tank (UST) site.
Northwest of Site	"Unknown" in report; site is most likely Cascade Ready Mix	28th and Ingram Street	SPILLS	Approximately 100 gallons of material was released to a roadway. No other information is provided. See below.
Northeast of Site	Pettit Oil	820 Myrtle Street	FINDS, CSCSL, VCP, UST	The presence of petroleum products have been confirmed at concentrations greater than MTCA cleanup levels in soil and groundwater. (This Site is described in detail in Section 3.2).
Northeast of Site	POGH Property	Across from 820 Myrtle Street	CSCSL, FINDS	Petroleum products have been confirmed in surface water at the site at concentrations exceeding MTCA cleanup levels. Petroleum products are suspected to be present in soil at the site. See Section 3.1.2 for additional information.

3.2 REVIEW OF REGULATORY FILES

Ecology does not have any files for the Site.

Ecology does maintain files for other properties located in the vicinity of the Site identified during our database review. We reviewed files within the Toxics Cleanup Program and Dangerous Waste program for:

- Panel Tech, located north of the Site
- Pettit Oil facility, located east of the Site
- Tosco Bulk Plant No. 0291 (see Section 2.5), located north of the Site

3.2.1 Panel Tech

Approximately 375 gallons of phenol spilled on December 1, 2005. The affected medium was railroad track bed material. Ecology indicates the presence of phenolic compounds at concentrations greater than MTCA cleanup levels in groundwater were confirmed. The site was involved in the VCP.

3.2.2 Pettit Oil Facility

Pettit Oil completed a remedial action in 2003 to address soil contaminated from a 2001 diesel release. Groundwater monitoring has confirmed that the 2003 remedial action was effective at mitigating groundwater and surface water impacted by the 2001 release.

3.2.3 Tosco Bulk Plant No. 0291

See Section 2.5 for a discussion of the Tosco Bulk Plant No. 0291.

3.3 FINDINGS

In our opinion Panel Tech, Pacific Rim Yachts and the Pettit Oil facility do not pose RECs to the Site. The Tosco Bulk Plant No. 0291 does pose a REC to the Site and is discussed in Section 2.5.

The December 1, 2005 spill of 375 gallons of phenol at Panel Tech appears to have impacted railroad track bed material and groundwater. In our opinion, the spill is unlikely to pose a REC to the Site due to its distance from the Site, the small amount of phenol spilled and the facilities entry into Ecology's Voluntary Cleanup Program (VCP).

The 100-gallon spill of material from the site located at 28th and Ingram appears most likely to have been associated with concrete production or transportation. In our opinion, the spill is unlikely to pose a REC to the Site due to its distance from the Site.

3.4 DATA GAPS

Data gaps were not identified by this portion of the study. We could not find any further information regarding the POGH Property identified by EDR as located "across from 820 Myrtle Street." It is possible the property and Ecology listing are related to the Pettit Oil facility described in Section 3.2.

4.0 SITE HISTORY

4.1 HISTORICAL RESOURCES

Our understanding of the history of the Site is based on a review of the information from the historical resources listed in Table 5 and interviews with the individuals listed.

Table 5. Historical Resources Reviewed

Description	Provider or Interviewee	Dates of Coverage or Dates of Site Knowledge	Date Reviewed or Contacted	Comment (See Section 4.2 for findings)
Historical Aerial Photographs[1]	Port of Grays Harbor	1963, 1979, circa 1989, 2000	5/17/06	We reviewed the following years of historical aerial photographs: 1963, 1979, circa 1989, 2000. See Section 4.2 for additional details regarding the aerial photograph review.
Historical City Directories	Search of Polk's City Directories for City of Aberdeen at Aberdeen Timberland Library	1904 to 2005	5/16/06	We reviewed Polk's directories for the years 1904, 1914, 1924, 1934, 1944, 1954, 1964, 1974, 1984, 1994 and 2004. The site and surroundings are not listed in any Polk's City Directories
Sanborn Fire Insurance Maps	EDR Report	1928, 1948, 1969	5/18/06	See Section 4.2
Historical Topographic Maps	Environmental Data Resources, Inc.	1947, 1957, 1973, 1983, 1994	5/23/06	See Section 4.2 for additional details.

Table 5. Historical Resources Reviewed (Continued)

Description	Provider or Interviewee	Dates of Coverage or Dates of Site Knowledge	Date Reviewed or Contacted	Comment (See Section 4.2 for findings)
Washington Department of Ecology	Ms. Leslie Kozaria, Records Department	Recent	5/17/06	See Section 3.2 for additional details.
Grays Harbor County Health Department	Mr. Doug George, Director of Environmental Health	Recent	5/16/06	Mr. George completed a record review and does not maintain a file for the Site. He also is unaware of releases or spills at the Site or surroundings.
City of Aberdeen Fire Department	Dave Carlberg, Fire Chief	Recent	5/15/06	No environmental concerns were identified during our interview
City of Hoquiam Fire Department	Ray Pumphrey	Recent	5/15/06	Mr. Pumphrey indicated he was aware of a methanol spill from "Panel Tech," a company located north of the site on John Stevens Way. He was not aware of any other releases or spills at the Site or surroundings.
Grays Harbor County Tax Assessor Records	Grays Harbor County	Recent	5/23/06	See Section 4.2 for additional details.
Key Person Interview	Mr. Leonard Barnes	Recent	5/16/06	See Section 4.2 for interview details.
Key Person Interview	Mr. Roy Kuroiwa	Recent	5/18/06	See Section 4.2 for interview details
Key Person Interview	Mr. Kevin Varness	Recent	5/23/06	See Section 4.2 for interview details

Notes:
The scale of the photographs reviewed allowed for an interpretation of general site development/configuration, such as identifying most structures, roadways and clearings. However, the scale of the photographs did not allow for identification of specific site features, such as fuel pumps, wells or chemical storage areas on the site, if any.

4.2 HISTORICAL SITE OWNERSHIP AND USE SUMMARY

The Port of Grays Harbor has owned the site since 1911. Prior to 1911, the Site was tidelands. The Site was Slip 1 for the Port until the early 1980s. The Site was used as floating log storage and possibly ship fueling facilities based on Sanborn map review and key person interviews.

Slip 1 was developed into upland by filling in stages between the early 1980s to 1996 with material dredged from Grays Harbor and capped with fill material from various upland projects in the Site vicinity. A dike was constructed across the entrance of the slip to form an enclosed area in the mid 1980s. This enclosed area was filled pumping a mixture of soil and water into the slip. The material was dredged from the area between Slip 1 and dredged material of the east end of Rennie Island. The dredged fill was capped in 1994 by placing a variable thickness of fill excavated during the widening of Highway 12 at the east entrance to Aberdeen.

4.2.1 Key Person Interviews

4.2.1.1 Mr. Leonard Barnes

We interviewed Mr. Barnes at the Site on May 16, 2006. Mr. Barnes has been employed by the Port of Grays Harbor for 22 years in various operations and is currently the Deputy Executive Director of the Port of Grays Harbor. Mr. Barnes indicated the Site has been undeveloped since the time it was filled, and that no storage or release of any hazardous substances has occurred at the Site. Mr. Barnes indicated that a phenol spill had occurred at Panel Tech north of the Site in 2005, but that the spill was small and reported cleaned up. Mr. Barnes also indicated that oil and lignin liquor have been stored in storage tanks at the ITT Rayonier facility located northeast of the Site across Industrial Road. Mr. Barnes indicated to contact Roy Kuroiwa of Urban Redevelopment in Seattle regarding any potential RECs from the storage of oil or lignin liquor near the Site.

4.2.1.2 Mr. Roy Kuroiwa

We interviewed Mr. Roy Kuroiwa on May 18, 2006. Mr. Kuroiwa has been involved in Site redevelopment work at the Port of Grays Harbor since the 1990s. Mr. Kuroiwa indicated there had been a cleanup near the Pettit Oil facility. Mr. Kuroiwa indicated he believed there had been releases of gasoline, diesel, lignin liquor, bunker C and other heavy distillates from the Pettit facility. Mr. Kuroiwa indicated that petroleum storage tanks had been replaced, contaminated soil removed, and that he thought the site had received No Further Action (NFA) status.

4.2.1.3 Mr. Kevin Varness

We interviewed Mr. Kevin Varness on May 23, 2006. Mr. Varness is Director of Utilities for Grays Harbor County. Mr. Varness indicated that contaminated soil was discovered during excavation for the installation of a 48-inch-diameter industrial water utility on the east side of Industrial Road. Mr. Varness thought he remembered the contamination was due to diesel fuel, and thought the contamination was southeast of the intersection of West 1st Street and Industrial Road. Mr. Varness thought the contaminated soil had been cleaned up.

4.2.2 Review of Historical Aerial Photographs

We reviewed aerial photographs provided by the Port of Grays Harbor for the following years: 1963, 1979, 1989 and 1999

1963 Photograph

The Site is a waterway ("Slip 1"). The site and surroundings are being used to store logs. Two large ships are visible at anchor at the Site. A large warehouse is visible south of the Site, and two tank farms of approximately six to eight tanks each are visible north of the Site across what is currently Industrial Road.

1979 Photograph

There are fewer logs stored in Slip 1 compared with the previous photo viewed. Slip 2 to the south of the Site is being filled in, and a pier has been constructed south of the Site.

1989 Photograph

The Site has been filled in. The surrounding area is similar to the 1979 photograph.

1999 Photograph

The Site appears unchanged and unused. It appears that all of the tanks visible to the north and east of the Site in previous photographs have been removed.

4.2.3 Review of Historical Topographic Maps

We reviewed the USGS Aberdeen 15-minute topographic map for the year 1947 and the 7.5-minute topographic maps (or photo-revised map) for the years 1957, 1973, 1983 and 1994.

1947 Historical Topographic Map
Slips 1 and 2 are visible on the map. One large aboveground storage tank (AST) or building is visible east of the Site across Industrial Road.

1957 Historical Topographic Map
A large building is located north of the Site. A dock adjacent to the building is located on Slip 1 (the Site). Two tank farms are located near the Site. One farm with two large and three smaller ASTs is located east of the Site across Industrial Road. The second tank farm has five ASTs and is located north of the Site across Industrial Road.

1973 Historical Topographic Map
The large building and dock visible north of the Site in the 1957 map are no longer present. Two additional ASTs are visible at the tank farm north of the Site across Industrial Road.

1983 Historical Topographic Map
Slip 2 has been filled in. There are no other noticeable changes to the Site or surroundings.

1994 Historical Topographic Map
The Site has been filled in. The two largest ASTs visible east of the Site across Industrial Road have perhaps been replaced with smaller ASTs, although the scale of the map makes it difficult to determine. There are no other noticeable changes to the Site or surroundings.

4.2.4 Review of Sanborn Fire Insurance Maps

We reviewed Sanborn Fire Insurance Maps for the years 1928, 1948 and 1969:

1928 Sanborn Fire Insurance Maps
The Site is Slip 1 (waterway). Gordon Canning Corporation is located north of the Site west of the intersection of Port Dock Road (Industrial Road) and Beach Avenue (present day Ingram Street). Shell Oil Company of California, Harbor Oil Company and General Petroleum Corporation are located northeast of the Site across Port Dock Road. Two "filling" stations and four aboveground oil storage tanks ranging in size from 5,000 to 100,000 gallons are present at the oil companies' properties.

1948 Sanborn Fire Insurance Maps
The Site is generally unchanged. West Coast Plywood Company and a Port of Grays Harbor warehouse are located north of the Site. Further to the north is Grays Harbor Chair and Manufacturing Company. Minor building additions to the oil companies' properties are visible.

1969 Sanborn Fire Insurance Maps
Part of the Site is used for (floating) log storage. West Coast Plywood has changed to Olympic Plywood Company. Three additional aboveground storage tanks are visible at the oil company sites north of the Site (two unlabelled, one is 15,000 gallons).

4.2.5 Review of Tax Assessor Records

The Grays Harbor County Assessor's Office Online Parcel Database lists the Site address as 03000 W 1st Street. The total acreage of parcel number 056402300000 is 69.7 acres; however, the Site includes only the eastern portion of that parcel, and the western portion of parcel number 029902000200.

4.3 ADJACENT PROPERTIES

The Site to the south was also historically a boat slip (Slip 2) for the Port of Grays Harbor. The slip was used for log storage based on a 1963 aerial photograph. Slip 2 was filled between 1973 and 1983 based on historic topographic map review. The surrounding properties have been either undeveloped or a mix of industrial and commercial properties since at least 1929 based on our review of Sanborn maps and aerial photographs.

4.4 ENVIRONMENTAL LIENS OR PROPERTY USE RESTRICTIONS

The EDR regulatory search included an environmental lien search for the subject parcels. No environmental liens were identified for the Site. The EDR Environmental Lien Search report is included in Appendix B.

4.5 FINDINGS

Known or suspected RECs identified by this portion of the study include:

- Bulk fuel storage at adjacent/nearby sites (TOSCO and Pettit)
- Buried lignin liquor utility lines in the vicinity of the Site
- Buried fuel lines in the vicinity of the Site
- The dredge fill material from Grays Harbor that underlies the Site
- Historic activities (fueling activities and log rafting) within the Slip prior to filling

4.6 DATA GAPS

We identified the following data gaps regarding potential RECs to the Site:

- Historic and/or existing buried fuel lines in the vicinity of the Site. See Section 5.0 for additional details.

5.0 CONCLUSIONS AND RECOMMENDATIONS

The Phase I ESA was conducted in general accordance with the scope and limitations of ASTM E 1527-05. The results of this Phase I ESA identified the following potential RECs at the Site due to on- and off-site activities:

- Bulk fuel storage at adjacent/nearby sites (TOSCO and Pettit),
- Buried lignin liquor utility lines in the vicinity of the Site,
- Buried fuel lines in the vicinity of the Site,
- The dredge fill material from Grays Harbor that underlies the Site,
- Historic activities within slip prior to filling,

The results of this study indicate that there is a potential for soil and/or groundwater contamination by hazardous substances at the subject Site from historic and current activities on or adjacent to the Site. This potential should be considered in establishing a pre-lease baseline for environmental conditions at the Site. Based on the results of this study, we recommend further environmental site assessment activities, including soil and groundwater sampling and chemical analysis related to the evaluation of the potential presence of hazardous substances from current or historical on- or off-Site activities.

6.0 DECLARATIONS

- "I declare that, to the best of my professional knowledge and belief, I meet the definition of Environmental Professional as defined in "312.21 of 40 CFR Part 312."*
- "I have the specific qualifications based on education, training, and experience to assess a property of the nature, history, and setting of the subject property. I performed and/or developed the all appropriate inquiries in conformance with the standards and practices set forth in 40 CFR Part 312."* See Appendix A

**A person who does not qualify as an Environmental Professional may assist in the conduct of all appropriate enquiries in accordance with ASTM E 1527-05, if such person is under the supervision or responsible charge of a person meeting the definition of an environmental professional when conducting such activities.*

7.0 LIMITATIONS

This Phase I ESA has been prepared for use by Seattle Biofuels, Inc. and the Port of Grays Harbor. GeoEngineers has performed this Phase I ESA of for the proposed biodiesel processing facility to be located at the Port of Grays Harbor, Washington in general accordance with the scope and limitations of our proposal dated May 3, 2006 and ASTM E 1527-05, Standard Practice for Phase I ESA.

Within the limitations of scope, schedule and budget, our services have been executed in accordance with the generally accepted environmental science practices for Phase I ESAs in this area at the time this report was prepared. No warranty or other conditions express or implied should be understood.

Please refer to Appendix D titled "Report Limitations and Guidelines for Use" for additional information pertaining to use of this report.

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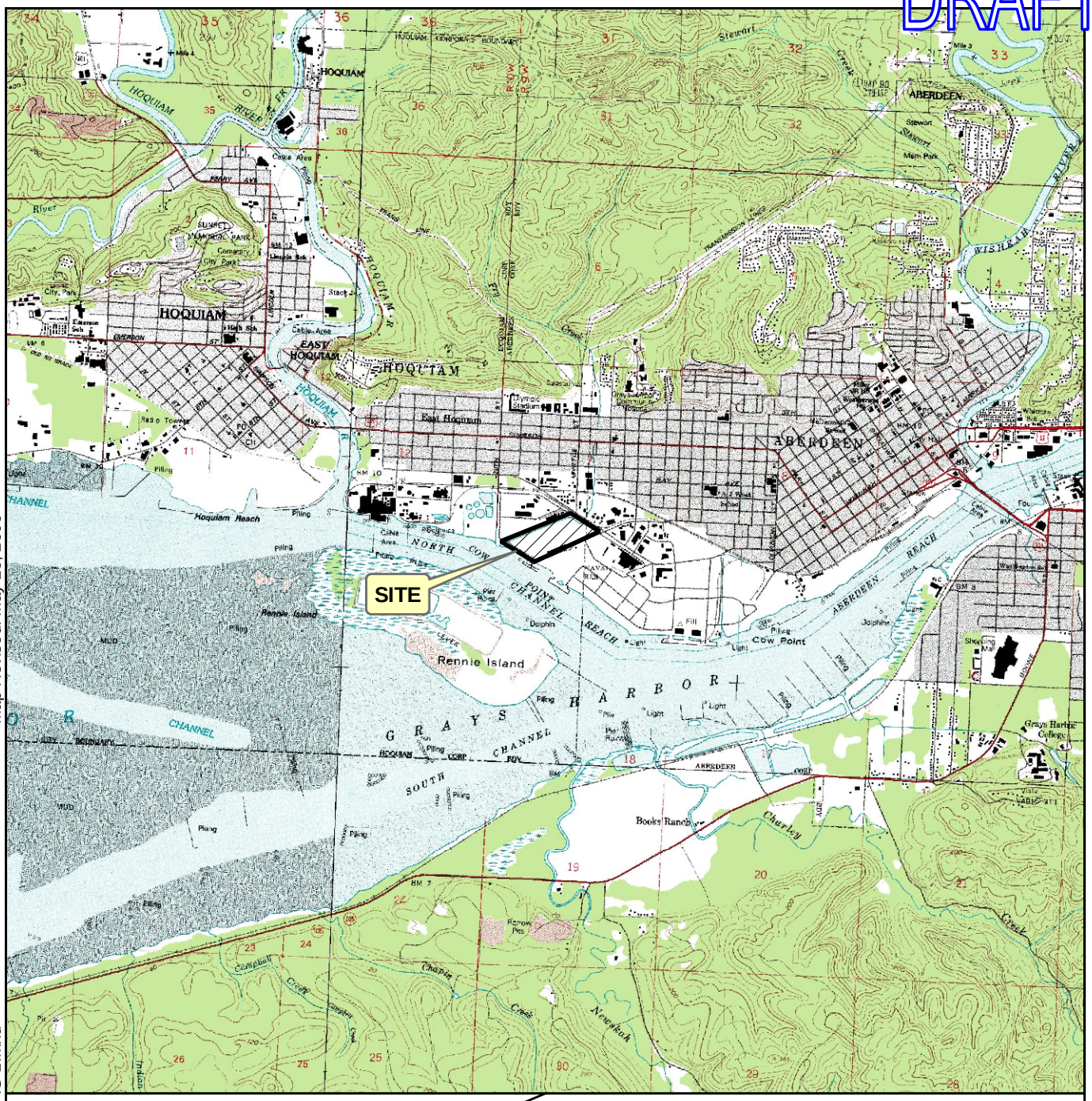

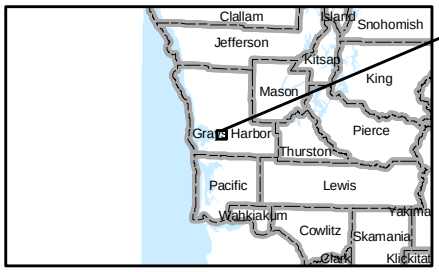

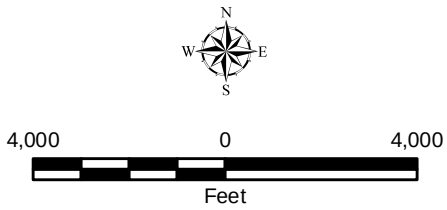

Notes:
1. The locations of all features shown are approximate.
2. This drawing is for information purposes. It is intended to assist in showing features discussed in an attached document. GeoEngineers, Inc. cannot guarantee the accuracy and content of electronic files. The master file is stored by GeoEngineers, Inc. and will serve as the official record of this communication.
3. It is unlawful to copy or reproduce all or any part thereof, whether for personal use or resale, without permission.

Data Sources: Interstates, state routes, and roads from TIGER 2000. County boundaries, cities, and waterbodies from Department of Ecology.

Lambert Conformal Conic, Washington State Plane North, North American Datum 1983

Vicinity Map

Proposed Biodiesel Processing Facility
Grays Harbor County, Washington

GeoEngineers

Figure 1

Map Revised: May 26, 2006

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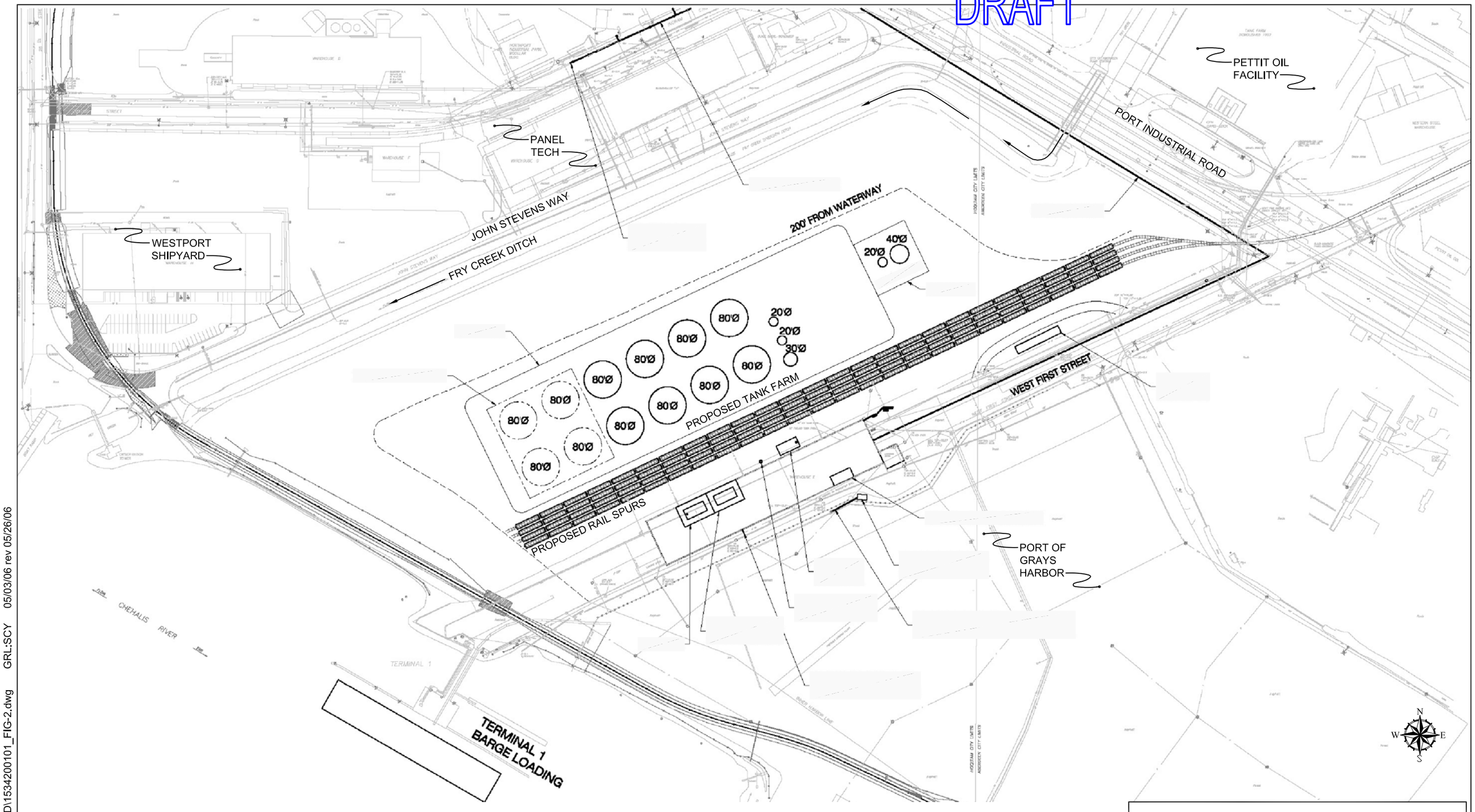

Notes:
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2. This drawing is for information purposes. It is intended to assist in showing features discussed in an attached document. GeoEngineers, Inc. cannot guarantee the accuracy and content of electronic files. The master file is stored by GeoEngineers, Inc. and will serve as the official record of this communication.

Reference: Drawing PDF file provided by Parker, Messana & Associates, Inc. Consulting Engineers.

Site Plan

Proposed Biodiesel Processing Facility
Grays Harbor County, Washington

GeoEngineers

Figure 2

TACO\15\1534200\101\CAD\1534200101_FIG-2.dwg GRL:SCY 05/03/06 rev 05/26/06

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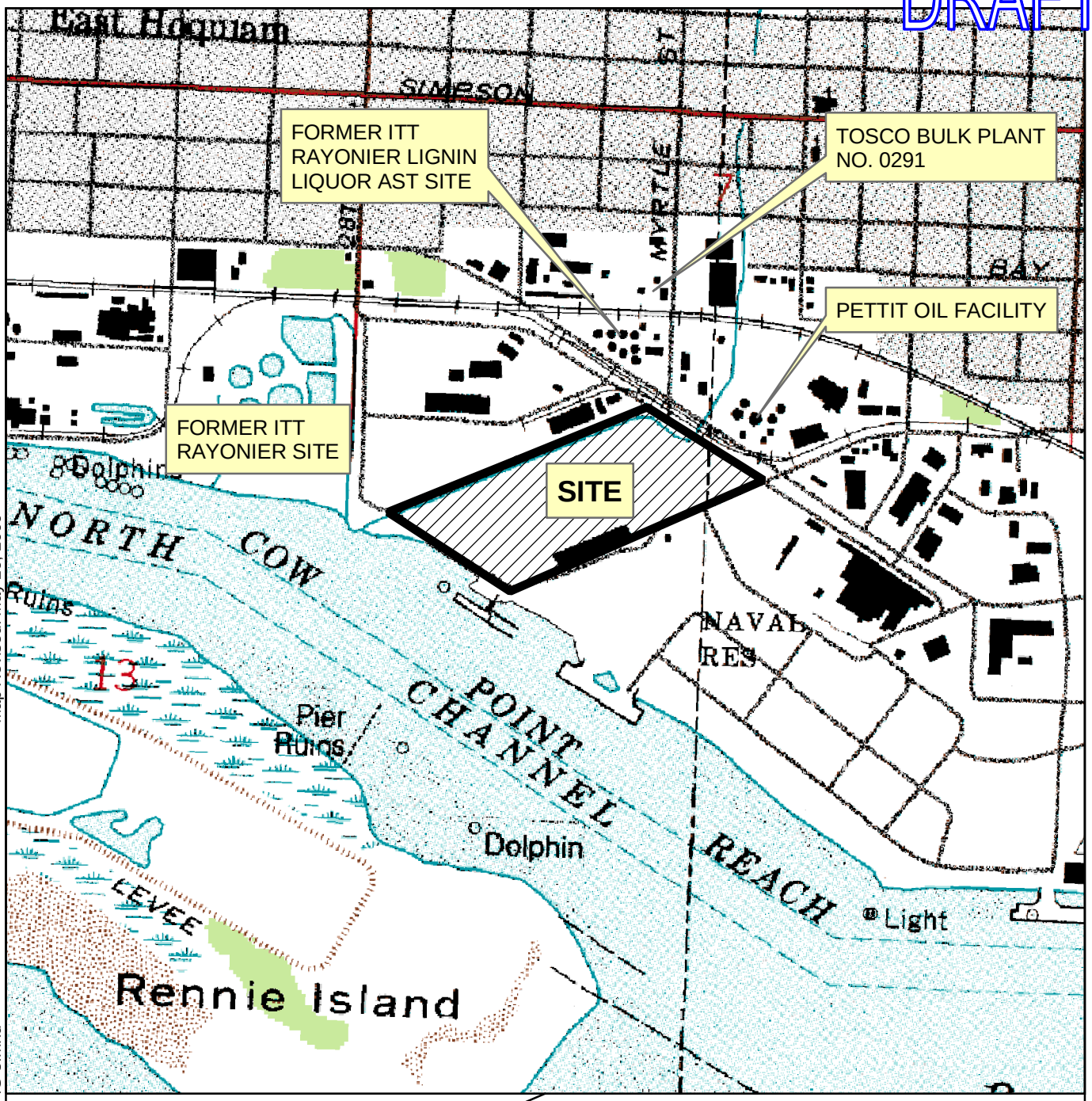

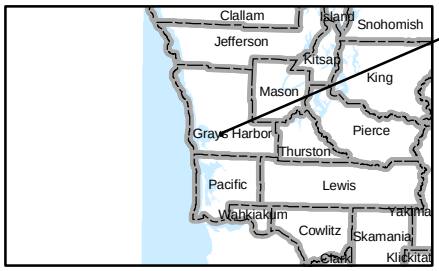

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Data Sources: Interstates, state routes, and roads from TIGER 2000. County boundaries, cities, and waterbodies from Department of Ecology.

Lambert Conformal Conic, Washington State Plane North, North American Datum 1983

Surrounding Facilities

Proposed Biodiesel Processing Facility
Grays Harbor County, Washington

GeoEngineers

Figure 3

Map Revised: May 26, 2006
Path: 15\15342001\01\GIS\15342001 01_FIG-3.mxd
Office: TAC

APPENDIX A
STATEMENT OF QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS

APPENDIX A
STATEMENT OF QUALIFICATIONS OF ENVIRONMENTAL PROFESSIONALS

The scope of services for this study was completed by, or under the direction of, an environmental professional as described in Federal Standard 40 CFR. GeoEngineers has researched and assessed possible subsurface contamination for more than 2,500 projects located in the western United States, Alaska and Hawaii. We are experienced with the interpretation of environmental information with regard to potential liabilities associated with property ownership or transfer. We have been involved with property assessments at sites ranging from small commercial properties with no apparent environmental problems to large industrial properties with complex histories. Where necessary, we also provide specific subsurface exploration programs during Phase II ESAs, develop remedial plans for contaminated properties, and monitor and document remedial activities.

GeoEngineers has field and office staff who are trained in performing Phase I ESAs. Historical research is accomplished by staff who are experienced with the wide range of documents and databases available for evaluation of historical land use and identification of sites with known or suspected environmental concerns. The site reconnaissance is completed by an experienced member of our staff with capabilities in identifying visual evidence of the possible use, generation, storage, release or disposal of hazardous substances.

Sally Fisher, Associate; Tonya Kauhi, Environmental Scientist; and Garrett Leque, Geologist have primary responsibility for this Phase I ESA. Ms. Fisher has practiced construction-related environmental science for 23 years. She has specialized in environmental site investigation since 1993. Ms. Kauhi has over 5 years experience of conducting Phase I ESAs at sites with residential, commercial and industrial developments. Mr. Leque has over 3 years experience of conducting Phase I ESAs at sites with residential, commercial and industrial developments.

APPENDIX B
ENVIRONMENTAL DATA RESOURCES (EDR) REPORT

APPENDIX C
EDR ENVIRONMENTAL LIEN SEARCH REPORT

APPENDIX D
REPORT LIMITATIONS AND GUIDELINES FOR USE

APPENDIX D
REPORT LIMITATIONS AND GUIDELINES FOR USE[2]

This appendix provides information to help you manage your risks with respect to the use of this report.

READ THESE PROVISIONS CLOSELY

Some clients, design professionals and contractors may not recognize that the geoscience practices (geotechnical engineering, geology and environmental science) are far less exact than other engineering and natural science disciplines. This lack of understanding can create unrealistic expectations that could lead to disappointments, claims and disputes. GeoEngineers includes these explanatory "limitations" provisions in our reports to help reduce such risks. Please confer with GeoEngineers if you are unclear how these "Report Limitations and Guidelines for Use" apply to your project or site.

ENVIRONMENTAL SERVICES ARE PERFORMED FOR SPECIFIC PURPOSES, PERSONS AND PROJECTS

GeoEngineers has performed this Phase I ESA for the proposed biodiesel processing facility located at the Port of Grays Harbor, Washington in general accordance with the scope and limitations of our proposal dated April 26, 2005 and ASTM E 1527-05, Standard Practice for Phase I ESA. This report has been prepared for the exclusive use of Seattle Biofuels, Inc., their authorized agents and regulatory agencies. This report is not intended for use by others, and the information contained herein is not applicable to other sites.

GeoEngineers structures our services to meet the specific needs of our clients. For example, an environmental site assessment study conducted for a property owner may not fulfill the needs of a prospective purchaser of the same property. Because each environmental study is unique, each environmental report is unique, prepared solely for the specific client and project site. No one except the Seattle Biofuels, Inc. and the Port of Grays Harbor should rely on this environmental report without first conferring with GeoEngineers. This report should not be applied for any purpose or project except the one originally contemplated.

THIS ENVIRONMENTAL REPORT IS BASED ON A UNIQUE SET OF PROJECT-SPECIFIC FACTORS

This report has been prepared for the Site. GeoEngineers considered a number of unique, project-specific factors when establishing the scope of services for this project and report. Unless GeoEngineers specifically indicates otherwise, do not rely on this report if it was:

- not prepared for you,
- not prepared for your project,
- not prepared for the specific site explored, or
- completed before important project changes were made.

If important changes are made to the project or site after the date of this report, GeoEngineers should be retained to review our interpretations and recommendations and to provide written modifications or confirmation, as appropriate.

[2] Developed based on material provided by ASFE, Professional Firms Practicing in the Geosciences; www.asfe.org.

RELIANCE CONDITIONS FOR THIRD PARTIES

No third party may rely on the product of our services unless we agree in advance to such reliance in writing. This is to provide our firm with reasonable protection against open-ended liability claims by third parties with whom there would otherwise be no contractual limits to their actions. Within the limitations of scope, schedule and budget, our services have been executed in accordance with our Agreement with the Seattle Biofuels, Inc. and generally accepted environmental practices in this area at the time this report was prepared.

HISTORICAL INFORMATION PROVIDED BY OTHERS

GeoEngineers makes no warranties or guarantees regarding the accuracy or completeness of information provided or compiled by others. The information presented in this report is based on the above-described research and a single recent site visit. GeoEngineers has relied upon information provided by others in our description of historical conditions and in our review of regulatory databases and files. The available data do not provide definitive information with regard to all past uses, operations or incidents at the site or adjacent properties.

UNCERTAINTY REMAINS EVEN AFTER THIS PHASE I ESA STUDY IS COMPLETED

No ESA can wholly eliminate uncertainty regarding the potential for recognized environmental conditions (RECs) in connection with a property. Performance of a Phase I ESA study is intended to reduce, but not eliminate, uncertainty regarding the potential for RECs in connection with a property. There is always a potential that areas with contamination that were not identified during this Phase I ESA exist at the site or in the study area. Further evaluation of such potential would require additional research, subsurface exploration, sampling and/or testing.

ENVIRONMENTAL REGULATIONS ARE ALWAYS EVOLVING

Some substances may be present in the site vicinity in quantities or under conditions that may have led, or may lead, to contamination of the subject site, but are not included in current local, state or federal regulatory definitions of hazardous substances or do not otherwise present current potential liability. GeoEngineers cannot be responsible if the standards for appropriate inquiry, or regulatory definitions of hazardous substance, change or if more stringent environmental standards are developed in the future.

SITE CONDITIONS CAN CHANGE

This environmental report is based on conditions that existed at the time the study was performed. The findings and conclusions of this report may be affected by the passage of time (for example, a Phase I ESA report is typically applicable for 180 days), by events such as a change in property use or occupancy, or by natural events, such as floods, earthquakes, slope instability or groundwater fluctuations. Always contact GeoEngineers before applying this report so that GeoEngineers may evaluate reliability of the report to changed conditions.

GEOTECHNICAL, GEOLOGIC AND ENVIRONMENTAL REPORTS SHOULD NOT BE INTERCHANGED

The equipment, techniques and personnel used to perform an environmental study differ significantly from those used to perform a geotechnical or geologic study and vice versa. For that reason, a geotechnical engineering or geologic report does not usually relate any environmental findings, conclusions or recommendations; e.g., about the likelihood of encountering underground storage tanks or regulated contaminants. Similarly, environmental reports are not used to address geotechnical or geologic concerns regarding a specific project.

BIOLOGICAL POLLUTANTS

GeoEngineers' Scope of Work specifically excludes the investigation, detection, prevention or assessment of the presence of Biological Pollutants. Accordingly, this report does not include any interpretations, recommendations, findings, or conclusions regarding the detecting, assessing, preventing or abating of Biological Pollutants and no conclusions or inferences should be drawn regarding Biological Pollutants, as they may relate to this project. The term "Biological Pollutants" includes, but is not limited to, molds, fungi, spores, bacteria, and viruses, and/or any of their byproducts.

If Seattle Biofuels, Inc. desires these specialized services, they should be obtained from a consultant who offers services in this specialized field.